

The NATIONAL UNDERWRITER

*Ready...
Willing...
and able*

TO SETTLE CLAIMS PROMPTLY



Our consistent growth in popularity with both Agents and Policyholders has largely been due to the fact that we are READY, WILLING and ABLE to settle claims quickly and fairly. As proof of this fact, for the years of 1940, 1941 and 1942 we had only 2 suits outstanding per \$100,000.00 of earned liability premiums. We invite you to COMPARE THIS RECORD WITH THAT OF ANY OTHER COMPANY.

FINANCIAL STATEMENT

AS OF DECEMBER 31, 1942

ASSETS

Cash	\$ 543,566.36
U. S. Government Bonds	1,219,000.45
Public Utility Bonds	223,829.92
Municipal Bonds	9,014.45
Industrial Bonds	42,914.06
Railroad Bonds	174,394.85
Stocks	205,203.00
Stock of American States Fire Insurance Co.	380,000.00
First Mortgage Loans	6,902.72
Building and Loan Shares	13,500.00
Home Office Real Estate	150,000.00
Accrued Interest	11,395.65
Premiums Receivable (Under 90 Days)	530,479.78
	\$3,510,201.24

LIABILITIES

Reserve for Unearned Premiums	\$1,392,791.21
Reserve for Claim and Adjustment Expenses	942,805.25
Accounts Payable	13,295.92
Reinsurance Payable	9,790.95
Accrued Commissions	151,051.97
Accrued Taxes	202,618.10
Dividends Declared	10,500.00
Voluntary Reserve	37,347.84
	2,760,201.24
Total Liabilities	
Capital	\$350,000.00
Surplus	400,000.00
Surplus to Policyholders	750,000.00
	\$3,510,201.24

On basis of Actual Market Values December 31, 1942 for all securities, the Voluntary Reserve would be increased to \$47,338.54.

**AMERICAN
★ STATES★
INSURANCE COMPANY**

542 N. MERIDIAN STREET

INDIANAPOLIS

INDIANA

THURSDAY, MARCH 4, 1943

Here is an advertisement that focuses the attention of property owners on an important subject to you: The importance of increasing insurance protection in accordance with present values. It appears—in color—in the March 8th issue of *Time*—the weekly magazine—and in the March issue of *Nation's Business*. The Aetna Fire Group, W. Ross McCain, President.



protection... and plenty of it

Now is no time to skimp on protection of any kind.

• • •
But are you safeguarding your home as carefully as your coffee? Have you gone over it to eliminate all fire hazards? Have you taken out War Damage Insurance? Have you increased the fire insurance on both your house and household property in keeping with increased values?

• • •
Probably never before has your insurance needed such constant supervision as today—which emphasizes the soundness of the Aetna policy in selling through local agents and

brokers. These local representatives are fully qualified to analyze your insurance needs and immediately make whatever changes are necessary. In event of loss they can give you equally prompt and valuable assistance.

• • •
It is worth remembering, too, that when your insurance is with a capital stock company such as those comprising the Aetna Fire Group, it is backed by both a paid-in capital and surplus. You are never liable for assessment.

• • •
**Don't Guess About Insurance
—CONSULT YOUR LOCAL
A G E N T O R B R O K E R**

Since 1819 through conflagrations, wars and financial depressions, no policyholder has ever suffered loss because of failure of the Aetna to meet its obligations.

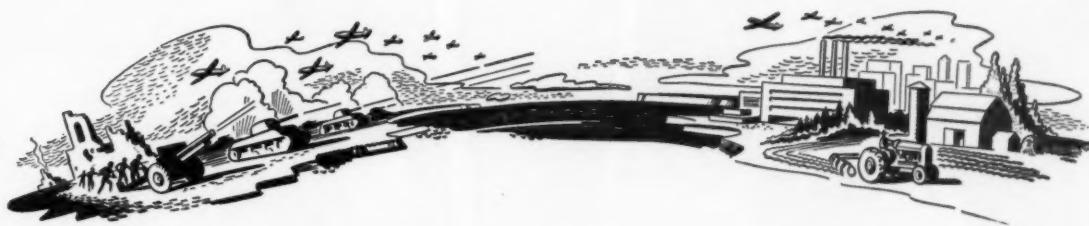
WARS	CONFLAGRATIONS	DEPRESSIONS
1846	1835—New York City	1819
Mexican War	1845—New York City	1837
1861 Civil War	1851—San Francisco	1843
1898 Spanish-American War	1866—Portland, Me.	1857
1917 World War I	1871—Chicago	1873
1941 World War 2	1872—Boston	1893
	1877—St. John, N.B.	1901
	1889—Seattle; Spokane	1907
	1901—Jacksonville, Fla.	1921
	1904—Baltimore	1929
	1906—San Francisco	
	1908—Chelsea	
	1914—Salem	
	1941—Fall River	



The Aetna Fire Group

HARTFORD, CONNECTICUT

Aetna Insurance Co. • The World Fire & Marine Insurance Co. • The Century Indemnity Co. • Piedmont Fire Insurance Co. • Standard Insurance Co. of N. Y. • Standard Surety & Casualty Co. of N. Y.



FIRE INSURANCE IN THE WAR

As the guns of our fighting men blaze on the battle fronts from Africa to the South Seas, fire insurance continues to play a vital role on the home front.

Months before our entrance into the war, the "industry which protects other industries" had quietly and effectively thrown its inspection and engineering facilities into the task of helping to safeguard the industrial plants of the nation from sabotage and carelessness. Losses in manpower and essential materials which would have been equivalent to serious military reverses have thus been prevented; substantial savings to taxpayers likewise effected.

Further, the agents and brokers of the fire insurance industry are bulwarks of strength on the civilian front. Without thought of profit to themselves, agents, brokers and companies alike have shown, in handling millions of dollars of War Damage insurance, how an essential industry can be mobilized effectively to carry on a vital war function in cooperation with the government.

Moreover, insurance in all its phases is being maintained in our national life, thus strengthening civilian morale on a vital home front and permitting greater concentration on the war effort. Insurance dollars are going into U. S. Treasury Victory Loan Bonds and the securities of war industries, thus helping to buy guns, planes, tanks, ships.

Finally, we take deep pride in stating that 35% of the male employees of The Home Insurance Company are now with the armed forces.

☆ ☆ ☆

We submit herewith our annual statement. This year the figures are especially important, for they reflect a year of insurance in war time. Behind the dollars and cents lies a human story of even greater significance.


President

STATEMENT

December 31, 1942

ADMITTED ASSETS

Cash on Hand or in Banks and Trust	
Companies	\$ 20,215,068.12
United States Government Bonds	12,378,338.50
All Other Bonds and Stocks	71,248,522.76
First Mortgage Loans	383,779.32
Real Estate	3,879,315.95
Agents' Balances, less than 90 days due	7,666,305.78
Reinsurance	
Recoverable on Paid Losses	1,076,289.00
Other Admitted Assets	135,861.61
Total Admitted Assets	\$116,983,481.04

LIABILITIES

Reserve for Unearned Premiums	\$ 49,707,620.00
Reserve for Losses	11,017,422.00
Reserve for Taxes	4,521,522.00
Reserve for Miscellaneous Accounts	813,505.75
Funds Held under Reinsurance Treaties	59,045.61
Total Liabilities Except Capital	\$ 66,119,115.36
Capital	15,000,000.00
Surplus	35,864,365.68
Surplus as Regards Policyholders	50,864,365.68
Total	\$116,983,481.04

Note: Bonds carried at \$3,447,281.00 amortized value and cash \$50,000.00 in the above statement are deposited as required by law. All securities have been valued in accordance with the requirements of the National Association of Insurance Commissioners. On the basis of actual December 31st market values, total Admitted Assets would be increased to \$120,423,617.78 and Surplus to Policyholders would be increased to \$54,304,502.42.

DIRECTORS

LEWIS L. CLARKE	WILLIAM S. GRAY	CHARLES G. MEYER
WILLIAM L. DEBOST	WILFRED KURTH	
EDWIN A. BAYLES	GORDON S. RENTSCHLER	
ROBERT GOELET	HERBERT P. HOWELL	
FRANK E. PARKHURST	GEORGE MCANENY	
GUY CARY	HAROLD V. SMITH	HARVEY D. GIBSON
		FREDERICK B. ADAMS

★ THE HOME ★
Insurance Company
NEW YORK

FIRE • AUTOMOBILE • MARINE INSURANCE

THE HOME, THROUGH ITS AGENTS AND BROKERS, IS AMERICA'S LEADING INSURANCE PROTECTOR OF AMERICAN HOMES AND THE HOMES OF AMERICAN INDUSTRY

March 4, 1943

B

**when FIRE starts
PRODUCTION STOPS!**

Airplanes, ships and tanks must be produced without delay to assure victory.

The insurance industry, with its corps of fire and accident prevention engineers, is doing its share to help government and industry keep materials of war rolling from production lines without interruption.

Do your part at home and at work to prevent fires and accidents which sap our strength!

Consult your local agent or broker on how to prevent loss and protect what you have.

**THE CONTINENTAL
INSURANCE COMPANY**
EIGHTY MAIDEN LANE
NEW YORK, N. Y.



Insure through a
Continental Agent

He is trained and experienced in the preparation of policies to meet your individual requirements; he is always available to advise and serve you in the event of loss; he represents a company of this strong, capital stock group which has paid out more than \$1,150,000,000 in claims since 1853.



*If you've ever stood
**HELPLESSLY
WATCHING—***

as raging flames consumed a home with all it contained, you must realize the value of proper insurance protection.

Only with the aid of a competent agent or broker can you be sure of securing the right coverage to safeguard you against financial loss.

Let him survey your insurance needs and recommend the kinds and amounts you should have for sound protection.

Ask him to give you policies in **THE FIDELITY-PHENIX**—one of the strongest companies in the country.



Insure Through a
Fidelity-Phenix Agent

He is trained and experienced in the preparation of policies to meet your individual requirements; he is always available to advise and serve you in the event of loss; he represents a company of this strong, capital stock group which has paid out more than \$1,150,000,000 in claims since 1853.

**FIDELITY-PHENIX
FIRE INSURANCE COMPANY**
EIGHTY MAIDEN LANE
NEW YORK, N. Y.

A Member Company of
THE AMERICA FIRE INSURANCE AND INDEMNITY GROUP

BERNARD M. CULVER
President
FIDELITY-PHENIX FIRE INSURANCE CO.
AMERICAN EAGLE FIRE INSURANCE CO.
FIRST AMERICAN FIRE INSURANCE CO.

THE CONTINENTAL INSURANCE CO.
NIAGARA FIRE INSURANCE CO.
MARYLAND INSURANCE CO.
THE FIDELITY & CASUALTY CO.

FRANK A. CHRISTENSEN
Vice President

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Vice President

FIDELITY-PHENIX FIRE INSURANCE CO.
CONTINENTAL INSURANCE CO.
EAGLE FIRE INSURANCE CO.
FIRST AMERICAN FIRE INSURANCE CO.

THE FIDELITY & CASUALTY CO.
NIAGARA FIRE INSURANCE CO.
MARYLAND INSURANCE CO.

The first two advertisements for Fire companies of The America Fire Insurance and Indemnity Group appearing in national magazines to sell the agent • the coverage and the company

The NATIONAL UNDERWRITER

Forty-seventh Year—No. 9.

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, MARCH 4, 1943

\$4.50 Year, 20 Cents a Copy

U. & O. Field Should Be Kept Open Despite Problems

Investment Now Will
Bring Dividends in
Future, Beazley Declares

SAN FRANCISCO—Despite the complications involved in underwriting business interruption insurance under wartime restrictions, every effort should be made to keep the market open, Frank C. Beazley, Pacific Coast manager Phoenix-Connecticut group, declared before



FRANK C. BEAZLEY

the annual meeting here of the Fire Underwriters of the Pacific. "It would be most unfortunate to lose the advantages gained through many years of effort to elevate this coverage to its proper position. Business interruption insurance has, for many years, been classified as a sideline. Today's conditions, with all the ramifications, present that golden opportunity of establishing it in its rightful place among other contracts of indemnity having to do with catastrophe loss. An investment now will bring dividends in the future."

Mr. Beazley advocated the writing of business interruption insurance with a term of at least one year. Present conditions, he said, make it impossible to peg, with any degree of accuracy, the length of suspension produced by partial or total loss, therefore the only safe procedure is to afford coverage for a period of not less than a year.

While contribution form leaves some things to be desired, Mr. Beazley believes it more adequately meets the needs of the unusual problems created by the war. One of the principal objections to the form is that it requires, in some instances, the purchase of more insurance than could normally be collected.

Despite the increased sale of business
(CONTINUED ON PAGE 16)

Texas Elevator Loss \$938,250

Estimate Made by
F. C. A. B.—Cover
Divided by Stock, Mutuals

DALLAS—Preliminary loss estimate of \$938,250 is made by Fire Companies Adjustment Bureau on the Burrus Mill elevator explosion and fire at Saginaw, nine miles northeast of Fort Worth. This is considerably below the first estimates made by firemen and others immediately after the fire, but the bureau explains that this estimate is subject to sharp revision either upward or downward.

The explosion was caused by dust and five employees in the elevator were injured. The bureau estimates 7.5 percent loss on \$3,500,000 insurance on grain in tanks, of which insurance the stock companies have \$2,500,000; 30 percent loss of \$1,672,500 insurance on grain in warehouse No. 3 of which the stock companies have all insurance; and 30 percent of \$580,000 insurance on buildings and machinery, of which insurance the stock companies have \$95,000. Mutuals have the remaining insurance on the grain in tanks and the buildings and machinery. The estimated loss for the three classifications is \$262,500, \$501,750 and \$174,000 respectively.

Equipped with Sprinklers

The elevator's capacity is 4,000,000 bushels and it contained 3,460,000 at the time of the explosion. The elevator was sprinkled but reasons why they did not control the fire are so varied that none is considered authentic.

The Burrus organization has been busy building a new elevator close to the Saginaw plant. Five heavy sections of roof trusses that were being installed collapsed March 1, just six days after the first fire, and one workman was killed and several were injured.

Texans are deeply concerned over the seriousness of forest fires in east Texas which have been raging for more than a week and 147 different fires have been noted, and more than 65,000 acres of timber has been destroyed. This has been a record breaking dry winter for north and east Texas.

Dallas suffered several serious fires, including a \$50,000 loss to building and contents of the Missouri-Kansas-Texas Railroad freight station.

NEW STANDARD SETUP

In the 1943 edition of the American Standards Association's codes for prevention of dust explosions, a tabulation of dust explosion losses shows that more than 500 persons have been killed and over 1,200 injured with a property loss of over \$55,000,000.

New codes have been drafted to prevent sulphur dust and grain elevator explosions. Special attention has been given to prevention of fire and explosion losses in country grain elevators. There are about 150 such fires annually representing a loss of \$3,000,000.

Both new and old safety standards are included in a book costing \$1 published by the American Standards Association, 29 West 39th street, New York.

FEAR DISTILLERY EXPLOSIONS

LOUISVILLE—Distillers as well as underwriters are uneasy over the use of

WDC Weighs Idea of Free Renewals

WASHINGTON—The War Damage Corporation has confirmed the report that consideration is being given to extension of outstanding war damage policies without payment of renewal premium, probably based upon the insured's request, but states it is still in the talking stage and no final plan has been evolved.

Fire Premiums Given for N. Y.

Premiums from Manhattan and the Bronx reported to the New York Board for fire patrol purposes covering fire, sprinkler leakage, automobile fire and I.U.B. premiums, are now available for most of the companies. Below are given the figures for the principal company groups for 1942 and 1941:

	1942	1941
Home	\$2,410,637	\$2,193,857
America Fore	1,131,669	1,113,483
Great American	983,489	999,860
Corroon & Reynolds	796,539	820,789
Royal-Liverpool	794,617	676,174
Crum & Forster	765,747	699,273
North British	652,505	607,301
Aetna Fire	617,060	479,526
North America	596,347	478,000
Hartford	550,303	414,446
Loyalty	487,147	437,305
National	486,864	444,727
Commercial Union	462,557	441,250
Automobile	426,940	394,208
Fire Association	407,970	376,034
London & Lancash'e	339,212	327,790
Phoenix of Conn.	322,015	243,177
Firemen's Fund	279,823	240,050
Phoenix of London	275,791	304,568
American	270,657	271,695
Meserole	241,259	213,615
St. Paul	239,703	221,669
Sun	239,689	258,009
Scottish Union	234,916	231,372
Travelers	226,042	206,400
Springfield	211,531	169,734
Atlas	158,252	138,327
National Union	158,189	138,673
Glen Falls	154,374	133,662
Agricultural	152,743	148,410
Pearl	149,959	132,469
Northern of London	140,554	112,535
Norwich Union	130,712	136,468
Provident-Wash.	128,798	104,254
Royal Exchange	104,509	87,275

Texas Bill Would Force Multiple Line Licensing

DALLAS—A bill to force other states to license the Texas multiple companies writing both fire and casualty or have the licenses of all of their companies suspended in Texas, is before the Texas senate. The bill would require the insurance department to cancel the licenses of companies from states refusing to license multiple line Texas companies.

ready milled, or granulated flour in distilleries producing alcohol for the government. Kentucky distilleries, equipped to grind their own corn, rye, barley malt or wheat, are not equipped to properly handle granular flour, which creates too much dust and explosion hazards.

Coming to them in bulk cars it is unloaded to a dump pit, elevated to grain storage bins, dropped through inactive mills, elevated to meal bins, and then dropped for cooking.

G. H. Parker, manager, Kentucky Actuarial Bureau, put out a bulletin to Kentucky distilleries, calling attention to dust explosion hazards of ready ground wheat, which makes considerable dust in handling, while distillery equipment is not nearly as tight as that of flour mills.

Chicago Board, Brokers Settle Row Out of Court

Brokers to Get
"Freedom"—Suit to Be
Dismissed

Upon an undertaking by the directors of the Chicago Board to secure amendments to the constitution and by-laws to permit class 1 members to do business with anyone holding an Illinois broker's license, leaders in the Insurance Brokers Association of Illinois have agreed to dismiss the menacing suit that was instituted in federal court against the board and 23 member companies by J. H. Slagle and Clark Nolan, brokers that are not members of the board. The agreement was reached last Thursday afternoon and the directors of the board have called a special meeting for the afternoon of March 12 to approve amendments removing the restriction upon class 1 members paying commission or brokerage to non-member brokers.

It is taken for granted that the members will approve the proposed amendments and thus the ugly spectacle of complementary elements of the business engaging in sensational litigation is averted. The case involved a number of issues paralleling those of the federal case against the Southeastern Underwriters Association in Atlanta and many leaders in the business feared that if the Chicago case were permitted to proceed, it might throw shadows over the S.E.U.A. case. It is understood that certain eastern representatives went to Chicago to lend a hand in the conferences. Several weeks ago, it is understood, the board group expressed willingness to give the brokers what they term their freedom, that is, the privilege of doing business with any market and not being required to belong to the Chicago Board. However, the brokers insisted upon other terms including a stipulation that if any member of the board violates the agreement, the suit could be reinstated. The brokers finally withdrew these other demands and settled for a change in by-laws giving them their "freedom," the by-law to provide that the provision cannot be amended in the future and to provide that there shall be no difference in treatment between brokers who are members of the board and those that are not members.

Long Source of Friction

The fact that the brokers have been required to belong to the Chicago Board and pay dues of \$10 without having much of a voice in board affairs has been resented by a number of leaders among the brokers for a good many years and it has been one of the main issues of the brokers' association. Sometime ago the board changed its set up to give the brokers and suburban agents a measure of representation in the councils of the board and just at the time the Slagle-Nolan suit was filed the board (CONTINUED ON PAGE 16)

F.U.A.P. Parley Gets Under Way in San Francisco

Countryman Slated for President—Pelletier Optimistic Over Future

SAN FRANCISCO—Russell L. Countryman, Pacific Coast manager of Norwich Union, is slated to be elected president of Fire Underwriters of the Pacific and H. F. Badger, secretary Pacific Board, as vice-president, at the annual meeting here.

At the opening session President Francis J. Pelletier reported an increase to 1,100 members with an active membership of 560. Stressing the increasing importance of the association's educational responsibilities, Mr. Pelletier suggested that a full time educational secretary be employed after the war to handle the increased details in conducting classes. Many new employes, anxious to quicken their efficiency, are attending these classes.

Mr. Pelletier predicted permanent industrial development on the Pacific Coast. Although many of the war materials plants will close after the war, a great number will continue to operate. There will be a tremendous development of commercial aviation so that a large part of the aircraft industry will be permanent. In the reconstruction of the far east the importance of coast ports will be increased.

Manpower Problem Intensified

With the increasing demands for manpower, insurance must be prepared to contribute its share, Mr. Pelletier said. It is advisable to make plans to cope with the problem. "Up to the present time we have been able to maintain a semblance of 'business as usual,' but for the future many readjustments will be required. Ours is a business involving tremendous amounts of detail and ways must be found to eliminate as much of it as possible. Short cuts and simplified methods will be required. This may be a blessing in disguise with many of the new simplified methods proving to be of a permanent nature."

While insurance is engaged in some form of public relations its activities in this direction are meager by comparison with other businesses, Mr. Pelletier stated. Insurance has a story to tell of its part in the industrial, economic and social growth of the country and increased public relations activities are needed until the public fully appreciates all that insurance really represents.

Meets War Demands

The insurance business has expanded to tremendous proportions to assist the government in the war effort while also generally improving its services to the public despite many underwriting and manpower problems, Joy Lichtenstein, Pacific Coast manager of the Hartford Fire, declared.

Mr. Lichtenstein explained the close contacts with the army and navy and War Department and the services being rendered. He stressed the important part insurance plays in economic life.

The additional burden placed upon the fire protection engineer was covered by Loren S. Bush, chief engineer Pacific Board. Many trained men have gone into the armed services and war industries while the work placed upon those still active has multiplied many times. More than 1,500,000 copies of the "Bombs, What to Do and When to Do It" booklet prepared by engineers of the Pacific Board have been distributed on

Impounded Fund Still Undistributed

Over \$8,000,000 Is in Hands of Missouri Custodian Awaiting Action

No steps have been taken yet toward returning the impounded premiums in Missouri amounting to \$8,000,000 to policyholders. Custodian Kemper of the Commerce Trust Company of Kansas City is in the service and hence has not determined on any course to pursue. Commissioner Scheuerle desired to take over the fund and make the distribution. There are some \$200,000 of return premiums that have to be taken into account.

The expense of distribution will be considerable. Therefore the custodian would have to use the fees charged for his work or get a special act from the legislature making an appropriation for the distribution. The situation is in a bad mess for the time being.

There will be no further move in the anti-trust suits by the state which were prosecuted by Attorney-general McKittrick until the commissioner appointed by the court makes his report. He has hundreds of exhibits to study as well as the entire testimony, examination and cross-examination. The work will be onerous and no decision can be expected for months.

the coast. Despite the extra aid rendered war industries, normal services which the public has been encouraged to use, must be continued.

The future of private business and opportunities for developing enterprises along democratic lines were discussed by Ernest Ingold, president San Francisco Chamber of Commerce.

Five members of the Fire Underwriters Forum of San Francisco, R. B. Masters, Security of New Haven; P. F. Gardiner, Norwich Union; Thomas E. Green, Hartford Fire; Frank J. Brady, Fireman's Fund, and Henry Sanguineti, Travelers Fire, staged a panel discussion on "Insurance on the Offensive."

The need for more extensive public relations was stressed as contacts with the public indicate a lack of understanding of the business and general antipathy toward it. Insurance men were urged to discuss insurance more frequently with all with whom they come in contact, especially explaining the services the business performs for the general welfare. Lectures in company offices and schools for office employees, particularly newcomers, will aid in this direction.

W. T. Seawell, Jr., forum president, announced that his organization would establish a preliminary training school and offer cash prizes for the best let-

Long Confers in Minnesota on Charter Ruling

ST. PAUL—George C. Long, Jr., president of Phoenix of Hartford, returned east Monday night after spending three days in the Twin Cities in connection with the recent opinion of the Minnesota attorney-general that fire companies chartered to write casualty may not be licensed in Minnesota, even though they certify that they are not and have no intention of writing casualty lines.

Insurance department officials would not comment on the results of the conferences and were much upset that news of the situation had been made public. The department had requested the attorney-general's office not to release the opinion.

The charter of Phoenix was amended a year or so ago to provide casualty writing powers but the management has made no move to exercise those powers.

Marvin Hall Confirmed for Second Term in Texas

AUSTIN—Marvin Hall, who has been Texas fire insurance commissioner for the last six years, was confirmed for a second full term Tuesday by the senate. He is the first man to be confirmed for two full terms consecutively, and is the first commissioner to be appointed by two different governors.

Mass. Reports on Agents' Commissions Are Forgiven

The Massachusetts department has decided not to demand of companies reports in detail on commissions paid to agents in the state this year. Instead Commissioner Harrington will seek information from companies as to agents concerning whom some particular question has arisen.

ters from office employees on developing public relations.

The following were elected life members in recognition of 25 years continuous membership: Frank Allyn, adjuster; Russell L. Countryman, Norwich Union; Thomas J. Craig, North America; Ray C. Culver, Fireman's Fund; Ray Decker, Royal-Liverpool groups; L. G. Feyen, National Fire of Hartford; W. C. Hackmeier, George P. Williams Office; Philip G. Hall, Merchants Fire Assurance; G. L. A. Lauer, Fire Companies Adjustment Bureau; John H. Martin, Standard Forms Bureau; Craig Owens, Atlas Assurance; B. R. Shearman, North British, and L. P. Terhune, Cravens, Dargan & Co.

Lloyd Vice-president of Union Central; Crabbe to Ohio Post

Superintendent Now Life Company Official; Successor Was Deputy

COLUMBUS, O.—Governor Bricker of Ohio announced the resignation of Superintendent John A. Lloyd, who has now become vice-president of Union Central Life.

J. Roth Crabbe, deputy superintendent, was named as the new superintendent.

Ray S. Bates, chief examiner, was named deputy superintendent, and Eugene Martin, who has

been acting chief examiner in the

place of Mr. Bates, who has been ill and is now in Texas, was named chief examiner. Thomas L. Woods, financial officer, has been named administrative assistant, and given additional duties.

Mr. Lloyd served several terms in the Ohio senate and then was named secre-



J. R. CRABBE



JOHN A. LLOYD

tary of the Ohio Association of Insurance Agents. He was appointed superintendent of insurance when Governor Bricker entered office in 1939, and was recently reappointed for his third term.

Mr. Crabbe, whose home is in London, O., has served as deputy superintendent since 1939. He was an assistant attorney general when Mr. Bricker was attorney general. He is the son of C. C. Crabbe, who also served as attorney general of Ohio.

Mr. Lloyd has been chairman of the executive committee of the National Association of Insurance Commissioners. He is a man of forceful personality; he is an accomplished speaker and is resourceful in whatever he undertakes.

Mr. Lloyd was at one time managing editor of the Portsmouth, O., "Morning Sun" for 10 years, and was also engaged in the advertising and printing business. He was born in 1901, at Jackson, O., and attended Ohio State University.

Miss Robley Willis, who served as secretary to Mr. Lloyd, when he was both secretary of the Ohio Association of Insurance Agents and superintendent of insurance, has resigned her position in the insurance division and will act as secretary to Mr. Lloyd in his position with Union Central.

Fischer Confirmed in Iowa

DES MOINES—The Iowa senate has confirmed the reappointment of Commissioner Fischer for a four-year term.

THIS WEEK IN INSURANCE

The suit of brokers against Chicago Board is to be dismissed and the board is to eliminate any restriction upon members doing business with non-board brokers.

Page 1

Market for business interruption cover should be kept open despite difficulties.

Frank C. Benzley declares at F.U.A.P.

Page 1

War Damage Corporation is giving consideration to the idea of granting free renewals to outstanding war damage policies.

Page 1

Texas elevator loss is estimated at \$938,250.

Page 1

Superintendent John A. Lloyd of Ohio is elected vice-president of Union Central Life. J. R. Crabbe is new head of department.

Page 2

Fire Underwriters Association of Pacific holds annual meeting in San Francisco.

Page 2

Prentiss B. Reed tells members of the Risk Research Institute some of the problems encountered by the adjuster under war time conditions.

Page 3

U. S. Supreme Court upholds authority of New York state to regulate reciprocity in the Warner Exchanges' case.

Page 3

Wartime problems viewed in panel discussions at Minnesota Association of Insurance Agents mid-year parley.

Page 3

Charles R. Haggerty of Rochester, N. Y., has been given a suspended sentence after pleading guilty of defrauding Premium Discount Corporation.

Page 4

The Giberson agency of Alton, Ill., sets forth its annual agency expense analysis.

Page 4

Office of Censorship promulgates regulations for exporting insurance information.

Page 21

American Bankers Association discusses WDC coverage on money or securities.

Page 23

Manufacturers Casualty of Philadelphia is arranging a program of expansion by entering new states.

Page 23

Authority of State to Regulate Reciprocals Upheld

U. S. Supreme Court Holds for N. Y. in Warner Exchanges' Case

The United States Supreme Court has upheld the opinion of the New York state court of appeals in the suit brought by the Warner Reciprocals of Chicago to test the authority of New York state to regulate them under the 1939 revised statutes. Justice Black delivered the opinion.

The contention of the reciprocals in the case was that since contracts are signed in Illinois and losses are paid by checks mailed from that state, the reciprocals do not do business in New York, and the state therefore has no power to regulate them. The reciprocals also contended that assuming that New York does have the general power to regulate them, nevertheless certain of the provisions of the 1939 New York statutes do not accord with the due process clause of the constitution and deny equal protection of the law.

Challenge Constitutionality

The suit was brought in the name of Hooperston Canning Co., E. Pritchard, Inc., et al. as representatives of the subscribers at the Canners Exchange and Warner Reciprocal Insurers vs. Superintendent Pink. The two exchanges, one engaged in the canning industry and the other specializing in the wholesale grocery and allied fields, challenged the constitutionality and application of certain portions of the New York insurance law; specifically sections 130, 168, 410, 412, 415, 417, 418, 421, and 422. Lansing B. Warner, Inc., Chicago is attorney in fact for both reciprocals.

The effect of the decision is to clearly establish the authority of New York state to regulate reciprocals, to require each new subscriber in the reciprocals to have net assets of \$10,000, to have policies countersigned by resident agents, to maintain an office in New York state, use a standard form of contract, provide for contingent liability of subscribers of not less than one nor more than ten times the amount of the annual premium, etc.

The reciprocals have been paying the 2 percent premium tax on net deposits under protest since 1936, and, presumably, if they had won their case, they would have proceeded to secure the return of this money. It is assumed now, since the case has been lost, that such a move will not be made.

Effect on Operations Slight

The effect on the actual operations of the two reciprocals is not expected to be very considerable, since they have few subscribers that do not meet the \$10,000 minimum asset qualification, and since counter-signature, maintenance of a New York office, etc., would not be difficult requirements to meet. However, the decision emphasizes the authority of the state to regulate the insurance business of out-of-state insurers.

Among the other requirements of the New York law are specified form of power of attorney, certain forms of accounting, the advisory committee of subscribers themselves, rather than the appointed attorneys in fact, must have ultimate powers of management of the reciprocals' affairs and must provide

Prentiss Reed Tells War Time Problems of Adjuster

Wartime Problems Viewed at Minnesota Agents' Gathering

Panel Discussions Bring Out Many Interesting Sales Points

NEW YORK—Despite the many difficulties in making adjustments under wartime conditions because of material and labor shortages, in all cases except one involving a building loss, his firm has been able to work out all claims satisfactorily, Prentiss B. Reed, well-known adjuster, told Risk Research Institute members.

Losses under rent and use and occupancy policies are causing the worst headaches to adjusters today, Mr. Reed said. The rent loss on a destroyed or severely damaged building which cannot be restored to a tenable condition until some indefinite date, perhaps even farther off than the end of the war, cannot be rushed to final adjustment. Use and occupancy losses are in many respects like rent losses. Today many such losses tend to become tied up because after the fire neither owner or adjuster can determine whether it will take 10 days or two months or perhaps longer to get the business back in operation.

Handling of Rent Loss

In a recent large rent claim, Mr. Reed said an agreement had been worked out that the insured will receive six months rental. After six months, there will be a meeting and the then existing situation will be examined. The owners do not know whether they can get priorities on building materials and do not know what materials or labor could be assembled even if given necessary priorities.

All that the owner can do under a use and occupancy loss is to explore the possibilities of repair and rehabilitation and do the best he can. More and more companies are following the actual fortunes of the insured in his efforts to rebuild. Forecasts of business volume, cost of production and net results of

operations are more and more difficult to make.

The companies are not yet certain how they should treat the added time necessary to repair because of priority stipulations. Some believe that the added time is chargeable to order of civil authority and, therefore, is not covered. Others feel differently. There is practical agreement, however, that if federal authorities prohibit the repair or rebuilding of a structure the policy is not liable beyond the length of time which would be required to repair or rebuild if no such order had been issued.

Mr. Reed said that there is no hard and fast way of handling the problem of a building loss. So far, he has not encountered any building loss where the government refused to permit repair or rebuilding.

Art of Repair Flourishes

On machinery, equipment and fixture losses the same condition applies as on building losses. There are many equipment items, notably typewriters, which are no longer being made and the art of repair is flourishing again. Repair work costs are, of course, abnormally high.

Merchandise losses are working out quite differently than they were a few years ago and claimants are making fair settlements and are hanging on to damaged goods and reconditioning them so that they will have something to sell.

Salvage, when the insurance companies take it over, is selling for better prices today than ever before. In a recent loss in the south his firm was guaranteed \$25,000 for a damaged stock, but actually received more than \$33,000.

There are some kinds of merchandise,

(CONTINUED ON PAGE 17)

(CONTINUED ON PAGE 14)

FIGURES FROM DEC. 31, 1942, STATEMENTS

	Assets	Inc. in Assets	Reins. Res.	Changes in Reins. Res.	Capital or Stat. Dep.	Surplus	Inc. in Surplus	Net Prem.	Losses Paid	Loss Ratio	
Agricultural	16,256,253	269,990	6,994,677	24,536	2,000,000	3,664,776	-267,654	8,860,073	4,737,696	54.0	
American, N. J.	27,302,225	3,061,201	16,825,454	1,363,018	3,342,740	10,342,200	-60,604	21,819,353	10,069,000	46.1	
American Central	7,433,481	90,519	2,583,966	42,804	1,000,000	3,323,580	-19,143	2,421,460	994,409	41.0	
Atlantic City	453,028	13,859	25,402	-185	200,000	226,159	14,566	19,444	2,871	14.7	
Bankers Fire & Marine	621,440	52,007	.....	.....	150,000	402,961	41,751	12,691	30.4	.....
Birmingham Fire, Ala.	1,845,597	163,704	20,167	-10,459	300,000	10,972	825,744	306,702	37.1	.....
Birmingham Fire, Pa.	2,270,611	784,141	213,488	27,123	1,000,000	1,002,174	280,014	170,745	46,581	27.4	
Boston	25,711,618	132,822	5,509,823	178,651	3,000,000	12,788,915	-585,177	7,391,707	4,190,920	57.0	
British General	1,353,223	32,622	446,372	7,693	500,000	316,582	7,571	423,159	173,778	40.8	
Camden Fire	13,986,291	210,074	6,215,535 ¹	-31,706	2,000,000	3,562,718	158,141	6,722,611	3,048,605	45.8	
Capital Fire, Cal.	2,509,266	166,697	11,046	-158	1,000,000	958,898	30,050	652,348	344,221	52.7	
Central, Md.	4,458,325	224,289	1,347,076	114,330	1,000,000	1,754,310	50,669	1,447,302	578,493	39.9	
Century	4,889,250	739,341	1,616,864	-12,638	500,000	1,355,085	259,494	4,069,229	2,787,001	68.0	
Commercial Union, Eng.	16,157,972	1,300,277	6,090,517	445,207	500,000	6,217,790	-185,001	11,481,923	6,486,563	51.5	
Columbia Fire, N. J.	8,192,271	74,095	680,827	49,215	1,000,000	1,259,584	-26,256	716,823	280,303	39.1	
Commercial Union, N. Y.	3,019,205	67,414	1,007,002	16,405	1,000,000	770,321	16,128	941,588	387,402	41.1	
Desoto, Tenn. ²	102,447	.....	.....	51,750	50,698	.....	.....	.....	.....	.....
Detroit Nat'l.	390,244	49,828	.....	200,000	184,217	60,166	.....	.....	8	.....
Dixie Fire	2,250,275	87,885	340,413	24,319	1,000,000	841,457	47,169	358,417	140,151	39.1	
Empire State	4,639,560	53,544	1,542,148	14,165	1,000,000	1,246,777	-238,981	2,393,545	1,471,994	62.0	
Employers' Fire	7,706,794	784,561	3,516,655	297,260	1,000,000	2,000,000	250,000	3,944,932	1,348,441	34.0	
Equity Fire, Mo.	980,344	1,863	90,294	1,340	200,000	676,010	7,408	70,275	4,063	5.1	
Eureka-Security F. & M.	7,446,273	-67,679	3,449,930	-309,469	1,000,000	2,236,360	234,560	3,000,571	1,352,074	43.0	
Fidelity & Guaranty Fire	9,482,520	655,724	5,161,924	93,581	1,000,000	1,990,238	198,989	6,246,212	2,554,621	40.9	
General Exchange	29,125,224	-14,396,765	7,920,586	-18,730,813	4,000,000	8,459,273	688,802	8,459,794	15,706,707	162.0	
Gulf, Tex.	5,286,269	179,054	5,282,575	176,529	1,000,000	1,269,046	7,923	2,527,379	927,029	36.7	
Indiana	1,656,307	155,316	625,820	-947	250,000	252,117	37,578	1,225,764	559,837	46.5	
Indemnity Marine	1,860,193	198,095	229,055	26,639	1,000,000	250,000	520,823	234,575	1,578,284	1,265,501	30.0
International	7,397,048	665,043	2,527,607	223,438	1,000,000	3,162,447	252,680	2,752,740	1,216,640	44.2	
Merchants, Colo.	3,007,240	87,166	1,409,918	-20,713	400,000	912,752	68,248	1,217,768	542,751	44.5	
Monarch	3,275,709	45,479	1,517,683	-36,408	819,336	756,512	178,296	1,326,623	556,890	42.0	
Motors Ins.	6,672,736	-1,348,611	940,417	-1,374,326	1,500,000	3,138,712	-9,148	1,174,181	1,107,548	99.0	
National Grange Fire	570,895	77,763	139,351	40,971	200,000	122,727	7,727	199,999	28,856	14.4	
National Union Fire	21,238,221	1,426,741	9,927,730	322,589	1,100,000	5,163,696	2,794	10,918,402	4,581,138	42.0	
Northern, N. Y.	12,437,013	372,858	5,658,729	73,446	1,000,000	4,824,184	284,956	5,397,495	2,096,057	38.8	
Northeastern	6,677,962	-445,022	178,063	-1,378,109	1,500,000	920,065	77,927	4,848,566	4,160,672	85.8	
Northwestern F. & M.	2,150,092	73,933	670,940	22,293	1,000,000	1,083,418	14,987	938,076	506,363	52.5	
Old Colony	10,847,993	178,247	1,940,593	53,547	1,000,000	6,491,496	-63,114	2,428,180	1,377,660	56.0	
Pacific Coast Fire	1,613,152	12,459	449,781	-32,026	500,000	422,228	-7,214	610,093	348,575	57.1	
Palatine	3,224,775	84,583	117,106	19,357	500,000	1,373,977	-42,706	1,043,601	430,617	41.3	
Patriotic	2,286,820	164,132	757,422	-61,764	1,000,000	1,293,891	161,720	875,588	381,739	43.6	
Pearl	14,452,077	-885,790	3,704,533	26,649	500,000	9,188,512	-755,579	3,242,045	1,491,636	46.0	
Penn-Liberty	388,387	71,938	101,005	14,638	125,000	107,906	8,910	82,668	17,765	31.2	
Preferred Fire	602,270	12,428	92,127	-5,990	200,000	242,904	14,120	144,557	51,159	35.3	
Prudential Fire	184,121	-9,777	26,984	-63	100,000	57,136	-9,714	24,779 ⁴	14,464	61.0	
Secured Fire & Marine	501,706	158,156	.....	87,500	257,687	141,531	62,742	5,267	8.5	.....
Skandinavia	2,094,634	103,551	936,820	23,477	250,000	599,950	-19,202	1,035,737	496,179	48.0	
South Carolina, S. C.	1,483,099	151,426	785,567	142,956	300,000	300,074	-81,578 ⁶	869,797	324,413	38.9	
Sun	8,045,744	154,239	3,786,370	-368,814	500,000	1,738,863	-20,485	6,044,183	2,557,230	59.1	
Sun Underwriters	1,892,560	93,441	574,322	-15,571	600,000	576,269	73,626	855,604	269,162	41.2	
Transportation	687,165	93,598	185,828	24,464	200,000	215,686	46,251	86,273	126,819	35.1	
Twin City Fire	1,992,570	63,898	325,558	25,562	500,000	1,061,198	19,198	382,552	209,660	54.7	
Union Assurance	2,647,863	28,992	1,146,833	19,670	500,000	788,849	-18,745	1,070,984	441,555	41.2	
Universal	4,461,984	-704,958	908,420	-866,743	400,000	1,205,318	-74,999	2,497,412	2,938,525	81.0	
Washington F. & M.	598,										

Giberson Agency's Expense Analysis Reviewed

Considerable interest has always been provoked by the agency expense analysis originated by the late J. A. Giberson about 20 years ago. His son, Dudley F. Giberson, Giberson Agency, Alton, Ill., has now brought the analysis up to date. The present study is designed to give the ratio of each expense to the total earned income for a given year.

"In 1935 we realized that our various expense items were too general," Mr. Giberson explains. "We made some improvement in the breakdown of expenses for the years 1936 through 1938, but it was not until 1939, when we first retained C. J. Schlosser & Co. as our auditors, that our current set-up of expenses was established. It takes a few years to develop a statistical picture."

Factors to Consider

There are many factors which must be considered in this kind of study—such as the size of the agency, the kind of an agency, and the population of the community in which the firm is located, Mr. Giberson points out.

Alton is located in a highly industrial community with an area population of about 70,000 people. The firm is a partnership owned by one family with ideal conditions existing from an ownership standpoint. The business is exclusively insurance.

In regard to the analysis, Mr. Giberson points out:

"1. To bolster our credit standing we have increased the amount of our business life insurance in the past year.

"2. The amount of worthless accounts written off in 1942 was the lowest in our history. At the present time we have no notes discounted outstanding—for the first time in about seven years.

"3. Our contributions to charities increased last year and will probably increase this year.

"4. Our depreciation expense is high due to the fact that we failed to set up a sufficient depreciation account during the depression years. We are over the hump on this problem and the next few

years will see a decrease in the expense. "5. We made a thorough study of our uninsured exposures and have added some important covers including accounts receivable insurance and destruction of valuable papers.

"6. In January, 1942, we designed a combination direct mail and telephone renewal solicitation system which has proven very effective. The initial cost of this program is reflected in this expense item.

"During the past two years we have been setting aside in cash 5 per cent of our gross income each month. We expect to continue this procedure which was recommended by auditors and which we believe is extremely wise and sound. The result speaks for itself. We are in the most liquid condition in our history."

The comparative expense data follows:

GENERAL OFFICE EXPENSE

	1939	1940	1941	1942
1. Business life ins.	1.42	1.44	1.30	2.30
2. Bad accounts W/O.	1.23	.77	1.03	.05
3. Charities and donations	.61	.68	.34	.79
4. Depreciation	4.74	4.59	5.23	6.48
5. Dues and subscriptions	1.64	1.62	1.82	1.69
6. General expense	2.60	2.64	2.54	3.47
7. Insurance	1.36	1.70	1.35	2.17
8. Interest	...	...	1.06	.92
9. Legal expense	.39	.34	.26	.54
10. Office payroll	17.42	19.24	16.55	18.94
11. Postage	2.03	2.41	2.83	2.46
12. Rent and light	5.60	5.71	5.23	5.04
13. Stationery and supplies	1.75	2.32	1.60	3.72
14. Taxes	.63	.62	1.33	.47
15. Telephone and telegram	2.66	2.57	2.42	2.95
Total	44.08	46.65	49.90	51.99

SELLING EXPENSES

16. Advertising	3.29	2.05	2.88	2.84
17. Automobile expense	3.51	3.36	2.02	2.50
18. Salaries and commissions	15.39	16.86	17.37	11.38
19. Surveys	1.19	1.27	.28	.22
20. Traveling expense	1.97	1.81	.98	1.06
Total	25.45	25.35	23.53	18.00

TOTAL OFFICE AND SELLING EXPENSE

69.53	72.00	68.43	69.99	
Net profit (Including Salaries to Members of Firm)	30.47	28.00	31.57	30.01

Conflict in Mass. Over Holding Company Bill

Commissioner Harrington of Massachusetts spoke in favor of and important company representatives expressed opposition to a bill to regulate holding companies during the course of a hearing before the Massachusetts joint legislative insurance committee. Although the bill was not introduced at the instance of Mr. Harrington, he said it was identical to a measure that he had filed two years ago. He said he favors legislation to prevent control of insurance companies by finance or holding companies. He recommended that the legislature authorize the creation of a committee to study the situation with the aim of preparing corrective legislation.

Alfred H. Nash, representing Columbian National Life and the Life Presidents Association, spoke in opposition. The American Investment Securities Company controls about 80 percent of the stock of Columbian National. Also heard in opposition was W. R. Hedge, president of Boston and Old Colony, and John W. Downs of the Insurance Federation of Massachusetts.

McAuliffe with Eiel & Loeb

E. C. McAuliffe, who has been Philadelphia manager for Corroon & Reynolds for the last 14 years, has been elected vice-president for the Eiel & Loeb Co. of Chicago with offices in the Independence building there. The New Jersey legislature elected him a member of the Delaware River Joint Commission which manages the bridge between Philadelphia and Camden, N. J.

American, N. J., Issues New Type Household Inventory

American of Newark has gotten out a handy guide for estimating household values. The inventory is printed in two colors and has space on the back for the agent's name. It advises the householder to take the current price and deduct a fair amount for usage, just as an insurance adjuster might do if there was a loss. The booklet pages are arranged in index fashion, and each group of items can readily be found. Each page is appropriately illustrated. At the back is a summary with space for a total estimate and then space for listing policies now in force. The tabulation permits a quick comparison of the householder's values and the total amount of insurance which he has covering them.

J. W. Bracken to North America Investment Post

PHILADELPHIA—James W. Bracken, widely-known in New York and Philadelphia banking circles, has been appointed assistant manager of the investment department of North America. He succeeds Philip H. Cooney, who became investment manager on the death of John W. Drayton.

Mr. Bracken was vice-president of the investment counsel firm of Scudder, Stevens & Clark, in New York. Previously he had been associated with Bankers Trust Company of New York for 11 years. Prior to that he was associated with Goodyear Tire & Rubber Company.

Mr. Bracken was educated at Amherst College.

Haggerty Wins Suspended Sentence in Rochester

ROCHESTER, N. Y.—Charles R. Haggerty, well-known insurance man and former New York state assemblyman, Monday was given a suspended sentence by County Judge Kohlmetz and placed on probation for five years on his plea of guilty in connection with an alleged \$64,687 insurance fraud.

Haggerty had pleaded guilty to second degree forgery and second degree grand larceny in allegedly obtaining the sum through a series of fake property insurance policies, which were "discounted" by Premium Discount Corporation here. His lawyer, G. J. Skivington, described Haggerty as a "victim of circumstances." Skivington said Haggerty was a clerk of "the most menial type," drawing \$75 a week or less, although he was a member of the firm of Hayes, Sharp & Haggerty.

Investigation showed, the lawyer said, that Haggerty was forced to take part in the insurance frauds, in which Thomas A. Sharp, "leader" of the firm, was indicted on charges of defrauding Premium Discount of \$227,000. Skivington said Haggerty was forced to participate in the scheme "developed" by Sharp through fear of losing all he had.

Judge Kohlmetz stated in court that "although he is guilty in the eyes of the law, it seems the facts and circumstances surrounding his acts do not justify sending Haggerty to prison."

Sharp on Feb. 15 was given a 3 to 6-year term in Attica Prison on his plea of guilty to similar charges. He has already started serving the term. With time off for good behavior, Sharp will be eligible for parole after serving two years of the minimum part of his sentence.

Capt. Rider Heads Army Exchange Insurance Work

Captain Carroll Rider is now officer in charge of the insurance branch of the Army Exchange Service in New York. The insurance branch operating under the finance officer has charge of insurance for the army post exchanges in this country and throughout the world. This office places inland marine coverage on the merchandise in transit up to time of delivery to the various post exchanges. Fire, compensation, accident, life and hospitalization coverages are written by each exchange locally. The various post exchanges employ civilians but have one commissioned officer in charge of each post. The exchanges carry inventories of merchandise, operate restaurants, cafeterias, and also rent concessions such as tailor shops. The Army Exchange Service office was recently transferred from Washington to 25 West 43rd street, New York. It operates in a somewhat similar manner to a large general store head office.

Captain Rider served in the former war overseas as second lieutenant of infantry with the 33rd Division, participating in the Somme and Meuse-Argonne offensives, until he was wounded in action. After the war he became connected with Rollins, Burdick, Hunter, Chicago, in charge of the automobile department. Later he was with Marsh & McLennan for several years, leaving to become insurance buyer for the Kroger Grocery & Baking Company, Cincinnati, which position he held for seven years. For the past four years and until he entered military service he was assistant secretary with the West Shell office in Cincinnati.

Increase Penn. Liberty Capital

Paid in capital of Penn Liberty of West Chester, Pa., has been increased from \$125,000 to \$200,000. The new issue was purchased by member companies of Conestoga Mutual of Harrisburg.

Buyers Consider Insurance Plan for Large Corporation

MINNEAPOLIS—An insurance program for a hypothetical \$20,000,000 corporation with four factories and 85 warehouses scattered over the country was set up at the dinner meeting of the Insurance Buyers Association of Minnesota. P. L. Bachman, president, insurance buyer for General Mills, led a round table discussion on appraisals, exclusions, terms, self-insurance, keeping tab on property additions and payroll and merchandise reports.

It was held that the purpose of insurance is twofold: To protect assets and to buy certain services that insurance companies provide. In considering fire insurance, the first thing to do is to determine the method of valuation of fixed assets. There was considerable discussion whether a competent appraisal firm should be employed, whether the corporation should make its own appraisal or use the service of an insurance company. The consensus was that in the beginning an appraisal company should be employed; from then on the corporation's own engineering department could keep the appraisal up to date.

There was considerable difference of opinion on what items should be excluded but it was generally agreed that such items as excavations, architect's fees, piping and tanks below the basement floor and outside the buildings, outside pavements, fences and railroad tracks should be excluded while financing costs and contractor's profits should be among items to be covered. The suggestion was made that some of these items could be best covered by building up a self insurance reserve, especially where the hazards are not large.

As to the term of insurance it was generally agreed that a five year policy was the most satisfactory for a large corporation.

Insurance buyers should keep posted on changes in property setup, including new buildings, additions to old buildings, sales, demolitions and operating changes. The importance of making a report to the management at least annually on all premiums paid, losses incurred and recommendations was emphasized.

What to do with property with unchanged intrinsic value which has become obsolete through changed business conditions provoked some discussion. It was generally agreed that either capitalized earnings value or sales value should be used as a basis of insuring these properties.

Forbes Nomination Confirmed

LANSING, MICH.—The Michigan senate this week confirmed Gov. Kelly's appointment of David A. Forbes, Grand Rapids insurance agent, as commissioner.

How Girls Are Recruited from U.S.O. Activities

One of the life company home offices had a rather disastrous experience in responding to the call of one of the U.S.O. recreational offices in its city. Some of the persons in charge asked the head of the company if he would permit them to interview a number of the girls to see whether they would report at the U.S.O. office to meet men in uniform and attend the dances. The company readily gave its consent and some 60 girls joined for this work. In a couple of weeks each one of them received a letter from some federal agency requesting an interview with the idea of tendering a position at a figure much larger than the life company paid.



USE of posters like this help the local agent remind prospects of the necessity for frequent checking of Fire Insurance coverage.

These advertising helps are available through the offices of

THE TRAVELERS FIRE INSURANCE COMPANY

THE CHARTER OAK FIRE INSURANCE COMPANY

HARTFORD, CONNECTICUT

Bill to License Adjusters in N. Y. Is Introduced

ALBANY—Adjusters acting on behalf of fire and marine companies would have to be licensed and except for those who have been in business since Sept. 1, 1940, would have to meet specified experience examination requirements to qualify for a license, according to a bill introduced in the New York legislature's assembly by Russell Wright, chairman of the assembly insurance committee.

For adjusters or adjusting firms continuously in business for the two years prior to Sept. 1, 1942, the only requirement for licensing would be payment of the fee. Other applicants would have to pass a written examination and prove that they had been employed in responsible loss adjustment work for an aggregate of one year out of the preceding five by an insurance company, a company-owned adjustment bureau or association, a claims adjustment department, or an adjuster in the fire or marine field. An alternative experience requirement is one year out of the preceding three on responsible loss adjustment work for similar employers not necessarily in the fire or marine field, but in such cases the applicant would have to have taken a 50-hour course or an equivalent correspondence course.

The bill provides that a license issued to a corporation may name as sub-licensees only the officers and directors and one issued to a firm or association may name only the individual members as sub-licensees. Each such sub-licensees must be qualified to be licensed as an adjuster and may act as an adjuster only on behalf of the licensee.

Supported by Adjusters

The bill has the support of the adjusters, not because they are particularly anxious to be licensed but because for the last couple of years the secretary of state's office has been agitating for licensing of company adjusters through that department. Most adjusters feel that since they are in the insurance business they would rather be under the jurisdiction of the superintendent of insurance than that of the secretary of state, where they would be classed along with private detective agencies.

The bill would become effective Jan. 1, 1945. It would not apply to any officer, director or regular salaried employee of an authorized insurer, or any manager, individual or corporate, of such a company, or the manager, general agent or agent of any department, or attorneys in fact, or marine underwriting offices, or to any adjustment bureau or association owned and maintained by insurers to adjust or investigate losses or to such organizations' regular salaried employees or managers.

The bill wouldn't apply to an agent adjusting losses on business issued through his agency, nor to a lawyer, to a non-resident adjuster called for his special knowledge or to help out in the event of a conflagration, to accountants, appraisers and other specialists employed by insurers or licensed adjusters, to average adjusters or adjusters of maritime losses, or to any adjuster or a cooperative fire and windstorm insurance company.

Another bill has been introduced amending the general business law to make it clear that the latter's licensing provisions do not apply to adjusters for insurance companies.

Carlson Renamed in Utah

SALT LAKE CITY—Governor Maw has sent the name of Commissioner Carlson to the state senate for reappointment as a member of the business regulations commission, from March 1. The commission, under the state government reorganization plan, has jurisdiction over the insurance department as well as several other units. Mr. Carl-

son has practically recovered from his recent illness and this week with Deputy Howells, attended the convention of the Fire Underwriters Association of the Pacific in San Francisco.

\$300,000 Lumber Fire

The Hurn Lumber Co. at Olney, Ill., burned with a loss of some \$300,000. The property was insured in the mutuals. The fire spread to surrounding dwellings and some 18 were destroyed by fire along with their furnishings. Many of the dwellings were insured, most of them in the stock companies.

Convention Dates

March 25—Louisiana local agents, New Orleans, St. Charles Hotel.

April 22-23, Insurance Accounting & Statistical Association, Chicago, Edgewater Beach Hotel.

May 26-27, Bureau of Personal Accident & Health Underwriters, New York City.

May 6, Alabama agents annual meeting, Birmingham, Tutwiler Hotel.

May 10, National Fire Protection Association, Chicago, Palmer House.

May 20-22—Mississippi Agents, Jackson.

May 25-26—American Management As-

sociation Insurance Conference, New York City, Hotel New Yorker.

May 26-27, Bureau of Personal Accident & Health Underwriters, New York.

June 3-4, Health & Accident Underwriters Conference, Chicago, Edgewater Beach Hotel.

June 6-8, National Association of Insurance Commissioners, Boston, Statler Hotel.

June 7-8, National Association of Accident & Health Underwriters, Pittsburgh, William Penn Hotel.

When requesting a chart of financial and business figures on the companies, be sure to ask for the **Argus Chart**—it contains much more information.



Has Your Property Insurance Kept Pace?

DID YOU EVER stop to think what it would cost you to replace the property you own, today?

Check it over now, even roughly, and you will find this to be a fact: that due directly or indirectly to the war and a changing economy, property values have risen, and have risen drastically.

Look to your business properties. If it is possible to replace them at all, compare replacement costs with original costs.

Look to your home, and the personal properties you set store by. The furs in your closet... the silver on your table... your very home itself... all would cost much more to replace today.

If your properties were insured at peacetime values, the chances are that, due to skyrocketing war values, you stand liable to serious loss should misfortune overtake you, now.

Why Not See Your Insurance Agent Now!

Go to see the man professionally equipped to help you review your property insurance—your Insurance Broker or Agent. Insurance written as little as six months ago may need serious revision today. And when you see him, don't forget to ask him about the special type of insurance protection offered by the War Damage Corporation.

FIRE ASSOCIATION GROUP

Fire Association of Philadelphia
The Reliance Insurance Company
PHILADELPHIA



Lumbermen's Insurance Company
Philadelphia National Insurance Company
PENNSYLVANIA

SYMBOL OF SECURITY SINCE 1817

Let This Story Boost Your WARTIME Business!

Fire Association Group Advertising presents a reminder to your customers, and an opportunity for you.

It carries the very sound sales story of lagging insurance in a time of rising property values. If you tackle your customers with the same story, and interpret it to them in terms of possible losses, you will get new

business and give your clients valuable service.

These advertisements are specially created and published for the benefit of Agents and Brokers handling insurance of the Fire Association Group. Fire Association Group, Philadelphia, Pa. Branches in Atlanta, Chicago, Dallas, New York, San Francisco, Toronto.

THE
Crum and Forster
 GROUP

FINANCIAL STATEMENT AS OF DECEMBER 31, 1942

ASSETS

	UNITED STATES FIRE INS. CO.	NORTH RIVER INS. CO.	WESTCHESTER FIRE INS. CO.	ALLEMANNIA FIRE INS. CO.	RICHMOND INS. CO.	WESTERN ASSURANCE	BRITISH AMERICA	SOUTHERN FIRE INS. CO.
Cash in Banks & Trust Companies	\$ 8,067,789	\$ 5,214,999	\$ 4,459,684	\$ 891,982	\$ 511,248	\$ 898,676	\$ 308,959	\$ 392,825
United States Government Bonds	11,317,829	7,691,019	5,378,448	1,622,623	1,909,906	1,734,906	903,859	500,021
Other Bonds and Stocks	15,358,635	10,192,661	7,907,099	1,786,052	2,141,659	1,749,199	1,350,149	919,446
Mortgage Loans on Real Estate (Less Reserves)	170,128	130,565	242,478	628,111	206,497	.....	.....	14,363
Real Estate	96,553	2,500	5,000	†420,535	†95,771	.....	.....	68,125
Premium Balances Receivable (Not over three months due)	1,791,684	838,899	1,217,499	219,929	81,775	258,355	56,146	49,709
Bills Receivable, Not Due	308,093	101,469	225,245	.....	19,379	.....	.....	.....
Interest Accrued	64,826	38,002	43,846	20,439	9,723	20,926	11,955	9,840
Other Assets	235,081	169,744	298,326	18,386	.....	42,128	.....	2,999
Total Admitted Assets	\$37,410,618	\$24,379,858	\$19,777,625	\$5,608,057	\$4,975,958	\$4,704,190	\$2,631,068	\$1,957,328

LIABILITIES

Reserve for Unearned Premiums	\$12,475,805	\$ 7,611,794	\$ 6,908,801	\$1,896,812	\$1,350,836	\$1,260,832	\$ 617,789	\$ 585,907
Reserve for Losses and Loss Expenses	4,022,849	2,668,074	3,625,868	375,358	231,975	758,542	150,529	72,632
Reserve for Taxes and Expenses	590,250	316,500	385,000	100,155	123,027	78,900	63,000	67,500
Dividends Declared and Unpaid	.....	.....	.....	.....	60,000	.....	.....	.....
Mortgage Reserve	.....	.....	.....	50,000	25,000	.....	.....	.....
Other Reserves	385,292	226,869	352,409	47,284	27,607	54,858	721	28,531
Capital	2,000,000	2,000,000	1,000,000	1,200,000	1,000,000	\$500,000	\$250,000	200,000
Net Surplus	17,936,422	11,556,621	7,505,547	1,938,448	2,157,513	2,051,058	1,549,029	1,002,758
Surplus to Policyholders	19,936,422	13,556,621	8,505,547	3,138,448	3,157,513	2,551,058	1,799,029	1,202,758
	\$37,410,618	\$24,379,858	\$19,777,625	\$5,608,057	\$4,975,958	\$4,704,190	\$2,631,068	\$1,957,328

*Securities in statements include amounts deposited with various states, as required by law, in the following amounts: United States Fire, \$3,317,695; North River, \$2,360,615; Westchester Fire, \$1,498,067; Allemannia Fire, \$257,815; Richmond, \$559,030; Western Assurance, \$674,877; British America, \$421,897; Southern Fire, \$255,968.

†Includes Home Office Building.

On the basis of December 31, 1942, Market quotations for all Bonds and Stocks owned, the Total Admitted Assets and Surplus would be increased by the following amounts: United States Fire, \$705,509; North River, \$603,633; Westchester Fire, \$339,214; Allemannia Fire, \$139,471; Richmond, \$171,569; Western Assurance, \$97,172; British America, \$109,168; Southern Fire, \$87,624.

§Statutory Deposit.

CRUM AND FORSTER, Managers
 110 WILLIAMS STREET, NEW YORK CITY
 WESTERN DEPARTMENT FREEPORT, ILLINOIS SOUTHERN DEPARTMENT ATLANTA, GEORGIA CAROLINAS DEPARTMENT DURHAM, NORTH CAROLINA PACIFIC DEPARTMENT SAN FRANCISCO, CALIFORNIA ALLEGHENY DEPARTMENT PITTSBURGH, PENNSYLVANIA

NEWS OF FIELD MEN

Leo Davis with American in Ill.

Leo N. Davis has resigned as special agent in northeastern Illinois, for North America, to take a similar position with American.

He started in the western department of North America in 1927, and after a couple of years' experience in the automobile underwriting department, entered the field as an automobile special agent for Illinois. In 1932 George Arens, who had traveled the northern Illinois field for more than 30 years, found it necessary to ask for assistance because of poor health, and Mr. Davis became his assistant, succeeding to the field in 1936 when Mr. Arens died. During the past two years his territory has been limited to the northeastern section. He is vice-president of the Illinois Fire Underwriters Association.

Mr. Davis, prior to entering the insurance business, served as office boy for John G. Shedd and James Simpson of Marshall Field & Co.

Keats in Field for North America

A. G. Keats has been appointed special agent in northeastern Illinois for North America, taking the place of Leo Davis, who is going with American. Mr. Keats has been with North America 22 years, the entire time in the brokerage and general cover department. He was in charge of general cover in the old western department of North America and then in 1939 was transferred to New York. For the past year he has been traveling in behalf of the general cover department.

Taggard Takes Four States for Pacific National Fire

Alfred J. Taggard, who has been with the home office metropolitan department of General of Seattle for four years, has been appointed special agent and engineer of Pacific National Fire with supervision over Washington, Oregon, Montana and Idaho. He will maintain headquarters in Seattle and will be assisted by William F. Shea, special agent covering Oregon and southern Idaho. Mr. Shea, who has been with the Oregon Surveying & Rating Bureau, recently joined Pacific National. His headquarters will be in Portland, Ore.

Mr. Taggard received his technical training at the California Institute of Technology in Pasadena, later joined the Los Angeles office of the Pacific Board, and was with the general agency of Swett & Crawford and Glens Falls in the field before going with General of Seattle. As technical adviser for the Portland office he takes over the duties of Lt. Miller S. Farrell, now in the navy. Mr. Shea succeeds James F. Gordon, now in the army.

Mich. Field Men Donate Blood

As an aid to the war effort, the Michigan Blue Goose is cooperating with the American Red Cross blood donor service. Monday the first group of 30 field men presented themselves at the procurement station in Detroit. Group blood donations will be organized in the larger centers and individual donors are requested to report to the pond committee.



Leo N. Davis

Ind. Inspections Now Under Way

The defense inspection school conducted last week in Indianapolis for field men was only the introduction to intensive activities that will now follow. Wayne C. Collie, Ohio Farmers, president of the Indiana Fire Prevention Association and assistant director of the committee which, with the state fire marshal's office and Purdue University, planned the school, has appointed some of the committees to carry out the statewide inspection of plants.

Appointments Are Announced

Mr. Collie has named James A. Bawden, Springfield F. & M., chief of the headquarters staff, and John C. Johnson, Pennsylvania Fire, chairman of the farms committee, the other members being G. L. Heinz, Springfield F. & M.; D. J. Munro, Hartford Fire; L. D. Swisher, Norwich Union; R. C. Walker, Liverpool & London & Globe. To work with this committee a subcommittee has been appointed composed of L. G. Hines,

Ohio Farmers; M. R. Beal, Automobile; R. S. Walsh, Crum & Forster, and H. W. Mullins, National Fire.

Ross E. Coffin of the Boston is chairman of the educational committee, the other members being H. H. Derrick, Firemen's; G. H. McKenzie, Merchants' of Indiana; R. L. Dubois, North British, and C. O. Bray, Hartford Fire. Mr. Bray is also director of public relations.

The secretary-treasurer of the Indiana Fire Prevention Association is Don G. Kaga, Secured Fire & Marine, who has handled much of the detail of this new activity. It is understood that something over 5,000 plants will be closely checked by the field men.

Attendance at the inspection school was close to 100 percent throughout the entire week. Assignments are being made and the inspection work is now under way.

Rushing with St. Paul in Miss.

W. J. S. Rushing has joined the St. Paul group as special agent in Mississippi, assisting State Agent J. L. Ross. He succeeds J. B. Chapman, transferred to Albany, N. Y., last fall. Mr. Rushing, who will have his office with Mr. Ross at Jackson, has been with the Fire Companies Adjustment bureau for six years and has been manager of its

Greenville office for two years. Before that he had about five years experience in the local agency business in Cleveland.

Blue Goose Rally at Springfield

About 60 attended the dinner and initiation of the Illinois Blue Goose at Springfield under the auspices of the Dan T. Smith puddle of Springfield and Decatur. Eight goslings were initiated. James P. Jana, Hanover, the most loyal gander, was in charge. L. J. Eppier, Firemen's made the arrangements.

Seibels, Bruce Field Changes

W. D. Gaines, who has been in charge of the loss department of Seibels, Bruce & Co. of Columbia, S. C., has now been appointed special agent in South Carolina for that general agency. Frank Williams, who has been special agent in North Carolina has been commissioned a lieutenant (j.g.) in the navy and Special Agent Steen is taking over part of that field. Mr. Gaines will handle the territory formerly covered by Mr. Steen in South Carolina.

Continue Cal. Educational Work

SAN FRANCISCO—Fire and casualty field men's associations in Califor-

THE REINSURANCE CORPORATION OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1942

ASSETS

Cash on Hand and in Banks.....	\$1,357,734.37
U. S. Government Bonds.....	2,083,515.90
Corporation Bonds.....	219,991.55
Stocks.....	3,318,679.00
Premium Balances Receivable.....	\$272,743.09
Less: Ceded Reinsurance	
Balances Payable.....	361,798.31
Interest Accrued.....	11,285.11
Other Admitted Assets.....	4,603.91
Total Admitted Assets.....	\$6,906,754.62

LIABILITIES

Reserve for Unearned Premiums.....	\$1,331,665.71
Reserve for Losses and Adjustment Expenses.....	639,466.21
Reserve for Taxes and Expenses.....	57,000.00
Reserve for Non-admitted Reinsurance.....	32,849.20
CAPITAL.....	\$1,530,000.00
SURPLUS.....	3,315,773.50
Total Capital and Surplus.....	4,845,773.50
Total.....	\$6,906,754.62

Bonds are valued on an amortized basis and stocks at prices prescribed by the National Association of Insurance Commissioners. Bonds carried at \$203,118.75 in the above statement are deposited as required by law.

EXECUTIVE AND UNDERWRITING OFFICES: 99 JOHN STREET, NEW YORK, N. Y.

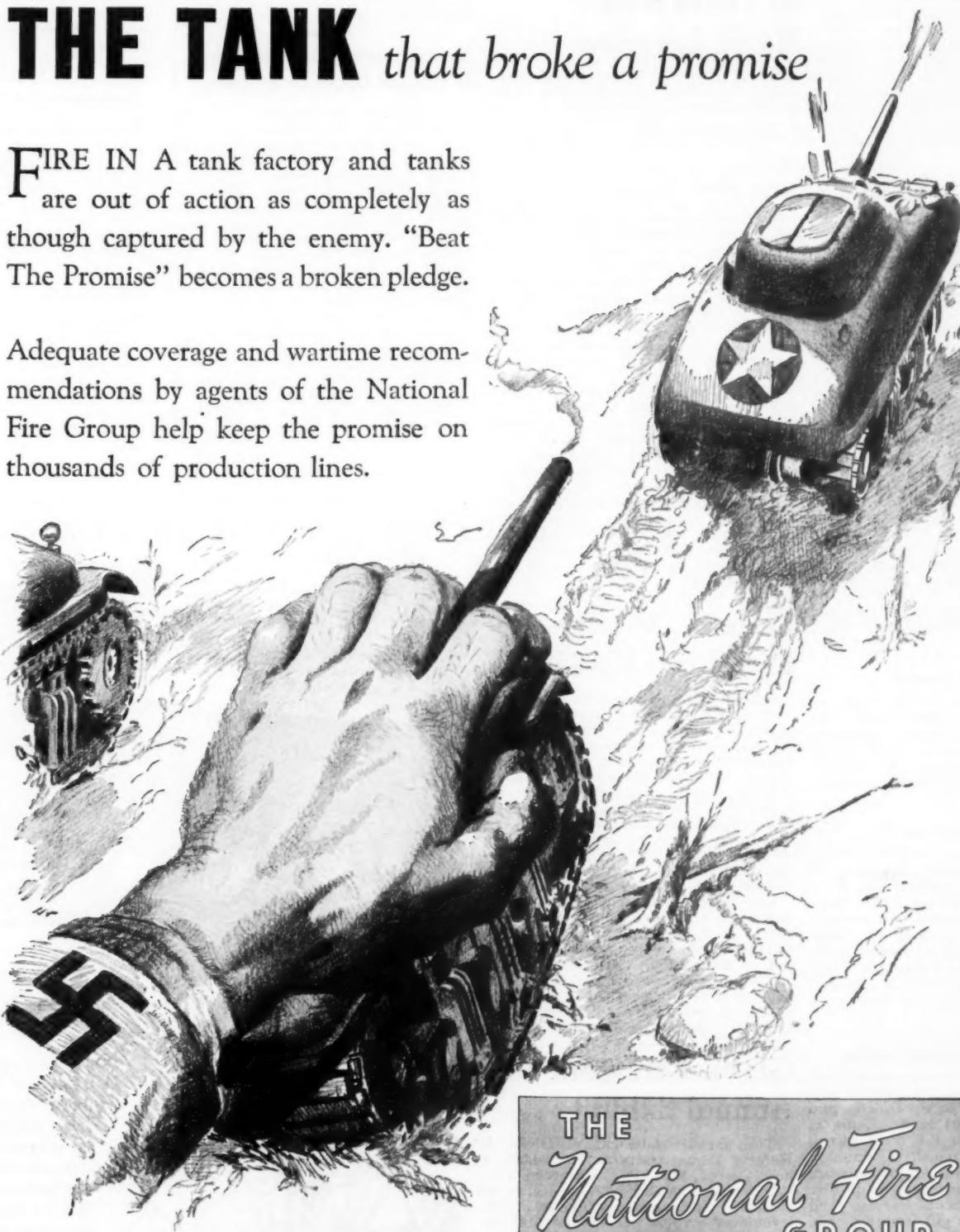
UNDERWRITING MANAGER

THE EXCESS MANAGEMENT CORPORATION

THE TANK that broke a promise

FIRE IN A tank factory and tanks are out of action as completely as though captured by the enemy. "Beat The Promise" becomes a broken pledge.

Adequate coverage and wartime recommendations by agents of the National Fire Group help keep the promise on thousands of production lines.



One way we are helping National Fire Group agents cover their territory quickly, effectively, profitably, is through our new tip-in plan. Ask your National Fire Group Field Man



THE
National Fire
GROUP

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD • MECHANICS & TRADERS INSURANCE COMPANY
FRANKLIN NATIONAL INSURANCE COMPANY OF NEW YORK • TRANSCONTINENTAL INSURANCE COMPANY
HOME AND ADMINISTRATIVE OFFICES: HARTFORD, CONNECTICUT
WESTERN DEPT. 175 WEST JACKSON BLVD., CHICAGO • PACIFIC DEPT. 234 BUSH ST., SAN FRANCISCO

HAVE YOU SEEN TO IT THAT EVERYBODY YOU KNOW IS FAMILIAR WITH WAR DAMAGE INSURANCE . . . WHAT IT COVERS AND WHAT IT COSTS? YOU SHOULD!

nia are continuing their program of providing speakers for local agents' meetings under the sales promotion program of the California Association of Insurance Agents. John T. Breckon, assistant B. D. O. director, is continuing to serve as coordinator in arranging programs. In addition to talks on fire and casualty subjects and panel discussions, the B. D. O. is offering recordings of the "Pattern for Production" session at the Kansas City convention of the National association. Field men are planning to make recordings for presentation before local agents' groups where, because of tire rationing, it will not be possible to make personal appearances.

Stinson in South Jersey Field

Corroon & Reynolds has placed N. B. Stinson in charge of underwriting for south Jersey, with headquarters at the Philadelphia office. Mr. Stinson began his insurance career as a boy with Camden Fire, and advanced through the fire and automobile underwriting departments. He has a thorough knowledge of the south Jersey field and a wide acquaintance among agents. He will divide his time between the Philadelphia office and the field. Edgar Campbell, who joined Corroon & Reynolds recently, will also devote part of his time to the south Jersey territory, working principally on production.

Joins Great American in Utah

Roy Donaldson, for seven years Utah state agent of St. Paul Fire & Marine has resigned to become special agent of Great American. For ten years prior to his connection with St. Paul he was with the Tracy Loan & Trust Co., of Salt Lake City. He was recently elected president of the Intermountain Field Club.

Hosier to Crum & Forster

J. W. Hosier, Jr., special agent of Atlas in Virginia for several years, has resigned to become special agent of Crum & Forster in that state under State Agent E. R. Booker. Mr. Booker has long been supervising Virginia single-handed.

Frayser to Springfield in Va.

Stuart K. Frayser, Virginia special agent of Miller's National, has resigned to become Virginia special agent of Springfield Fire & Marine under State Agent Francis H. Spencer. Mr. Spencer has been without an assistant since W. L. Harris resigned as special agent a year ago to enter the army. Mr. Frayser is a brother of Lawrence P. Frayser, state agent in Richmond of New York Underwriters.

Anthracite Club Honors Lomas

At the meeting of the Anthracite Field Club at Wilkes-Barre, Pa., tribute was paid to R. C. Lomas, past-president, who was shortly to report at St. Louis as chief petty officer in the coast guard. President P. J. O'Connell of Scranton praised Mr. Lomas for his many years of successful work as manager of Fire Companies' Adjustment Bureau, and presented him with a gift from the club.

A number of agents from the Wyoming Valley Exchange attended the meeting, and on behalf of them A. S. Galland presented Mr. Lomas with a gift. Roscoe B. Smith, Wilkes-Barre attorney, gave an inspirational talk.

The Minnesota Fire Prevention Association will inspect Benson March 25.

A committee of Minnesota field men headed by John E. Jackson, Home, has raised a fund to buy gifts for each of the Minnesota field men who have entered the service.

At the meeting next week of the Ohio Stock Fire Insurance Speakers Association T. A. MacLean, of National Union, will speak on "The War's Effect on Insurance."

COMPANIES

Hare Retires After 30 Years with North America

Robert P. Hare, Jr., is relinquishing active responsibilities as assistant secretary of North America, after 30 years of service. He will continue to serve at the home office in an advisory capacity.

Mr. Hare for years has been widely known among insurance agents in the middle west and the south. He went with North America in 1913 as a special agent in southern Ohio. Seven years later, he was made state agent for Ohio. In 1923, Mr. Hare was transferred to the Chicago department, where he became assistant general agent in charge of Philadelphia F. & M. business in the middle west. Two years later, he was made senior assistant manager of North America at Atlanta.

In 1931, when the southern department was transferred to the home office, Mr. Hare was sent to Philadelphia, where he became manager in charge of the south. Three years later, he was elected assistant secretary.

Mr. Hare is the father of Lieut. Col. Robert P. Hare, 3rd, formerly of Atlanta, and now of the heavy bomb group, Army Air Force overseas. Col. Hare is 32 years old and one of the younger men to hold the rank of lieutenant colonel.

Federal, Vigilant Premiums Up 35%

Federal and Vigilant in the annual report show consolidated premium income of \$11,566,168, compared with \$7,500,269 in 1941. Losses, expenses and taxes on underwriting amounted to \$11,962,092, resulting in a net underwriting loss of \$632,541. Net investment income aggregated \$561,356, compared with \$626,384 in 1941. Loss on sale of securities and reduced security values amounting to \$122,541 resulted in a surplus reduction of \$10,183, leaving surplus at \$12,633,356, compared with \$12,643,539.

The consolidated report shows cash \$5,398,074, compared with \$5,857,118 in 1941; U. S. bonds \$9,210,768, increase \$2,157,922; total investments up \$1,381,930 to \$20,293,942. Assets were \$25,323,007, an increase of \$658,937. Loss liability is shown as \$3,615,870, against \$2,332,719, and unearned premiums were \$4,239,421, increase \$236,617.

Globe & Rutgers Annual Exhibit

The annual statement of Globe & Rutgers shows assets as \$12,298,276, a decrease of \$774,173. Unearned premiums stood at \$3,288,737, a decline of \$682,626. Surplus was \$3,686,680. Policyholders' surplus was \$5,740,285 at the end of 1942, compared with \$5,927,699. With bonds and stocks figured at market, 1942 policyholders' surplus would have been \$6,040,925.

American Home of the Globe & Rutgers group had assets of \$2,976,614, a gain of \$12,132. Unearned premiums were \$816,176, down \$73,354. Surplus increased \$77,373 to \$957,402. Surplus would have been \$1,028,317 with bonds and stocks figured at market.

North Star Reinsurance Has Record of Increases

Assets of North Star Reinsurance were \$7,500,152 on Dec. 31, an increase for the year of \$2,005,542.

Premium reserve is \$3,669,318, in-

crease \$720,098. Reserve for claims paid during 1942 as compared with 30 cents the three preceding years. The directors reduced the dividends so as to keep payments within net investment income.

Reinsurance Corporation has been instrumental in developing an American market for excess of loss reinsurance and its scope is enlarged by sharing risks with several direct writing companies with which it has reinsurance facilities.

Reinsurance Corporation

Writings Sharply Higher

Reinsurance Corporation of New York reports net premiums written last year of \$2,609,758, as compared with \$2,153,746 in 1941. The net premiums before reinsurance were \$7,533,577 as compared with \$6,293,608. There was an increase of \$202,613 in premium reserve. All classes of business except ocean marine produced a profit but the loss in the latter department more than offset the statutory profit from the other classes and there was a net statutory underwriting loss of \$69,415. Before addition to premium reserve there was a trade profit of \$133,198.

Assets stood at \$6,906,740, surplus to policyholders \$4,845,773. On a market basis the assets are \$7,100,210 and surplus to policyholders \$5,039,229.

Dividends of 25 cents a share were

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Reinsurance Corporation has been instrumental in developing an American market for excess of loss reinsurance and its scope is enlarged by sharing risks with several direct writing companies with which it has reinsurance facilities.

Commercial Union Has \$1,300,000 Asset Gain

Commercial Union's statement shows assets of \$16,157,972, a gain of \$1,300,278. Cash of \$3,904,205 and government bonds of \$5,232,048 account for 56.54 percent of assets. The premium reserve is \$6,090,517 and surplus to policyholders is \$6,217,790.

Dubuque, National Reserve Make Excellent Progress

Dubuque Fire & Marine made excellent progress in 1942. Policyholders' surplus increased from \$1,775,877 to \$2,036,029, a gain of \$260,152. The incurred to earned expense ratio was

Highlights in Insurance History



PROBABLY the largest privately operated laboratories in the world, this testing station, sponsored by the National Board of Fire Underwriters, has been constantly engaged in furnishing exact knowledge, based on extensive tests, re-



garding the "merits of appliances, devices, machines, and materials, in respect to life and fire hazards and accident prevention."

Through the widespread and highly technical work of Underwriters' Laboratories, countless essential appliances, scientifically tested for their safety against fire, are made available to the public. National Union and Birmingham agents are proud that the companies they represent are among those who support the activities of this vital organization.

National Union and Birmingham

FIRE INSURANCE COMPANIES
PITTSBURGH • PENNSYLVANIA



50.00
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50.09 percent, and the earned loss and loss expense ratio 47.14 percent. Despite heavy windstorm losses, the loss ratio was the lowest since 1937.

Cash and government bonds account for 46.3 percent of assets.

The affiliated National Reserve Insurance reports policyholders' surplus of \$973,707, a gain of \$163,936. The incurred to earned expense ratio was 48.93 percent and the earned loss and loss expense ratio 48.17 percent. Loss ratio was the lowest since 1937. Cash and governments account for 44.1 percent of assets.

Hanover Makes Progress

Hanover Fire reports assets of \$19,284,382 which is an increase of \$1,588,313. Cash and government bonds now amount to \$6,650,000 or one-third of assets. The premium reserve increased \$233,888 and amounts to \$6,982,211. Loss reserve is \$1,983,754, an increase of \$559,142. Capital remains at \$4,000,000 and net surplus \$4,380,200.

IN U. S. WAR SERVICE

J. W. Eckardt, special agent of Globe Indemnity in Indianapolis, has been commissioned an ensign in the navy and reports at Dartmouth March 7. Mr. Eckardt is a son-in-law of O. B. Brown, secretary of the Firemen's of Newark group in the western department. Mr. Brown's two sons also are in service. Budd is an ensign in the navy. Robert B., who is in the marines, has just been promoted from second to first lieutenant.

Samuel Bigelow, formerly with Aetna Casualty, who resigned as manager of the Virginia Association of Insurance Agents to enter the navy, is now in the southwest Pacific. He is an officer in the naval aviation intelligence department.

The western department of America Fore in Chicago has just installed at the entrance to its offices a permanent display of the names of those in service. There are now 88 names, but more are to be added. The company has 92 in the service so far.

Six former members of the Los Angeles office of Aetna Casualty have won promotions: Capt. Hayward Andrews, former bond special agent; Capt. Fred Koebig, casualty special agent; Maj. J. D. McPherson, elevator inspector; Lieut. W. J. Dunn, underwriter; Maj. N. S. Nyhus, payroll auditor, all in the army, and Lieut. (j.g.) L. T. Day, navy.

Virgil Dunn, underwriter of Canadian Fire in Los Angeles, has reported for service in the army air corps.

James D. Jarvis, Winfield, Kan., local agent, is in the army air corps at Camp Stocker, recently completed near Winfield.

Herbert J. Schoeppe, Kansas state agent of Commercial Union at Wichita, who has been at Ft. Benning, Ga., for several months, has been selected to attend officers training school.

Louis Mayhood, chief automobile underwriter of the Fireman's Fund group in Los Angeles, has been inducted into the army and is now at Camp McLean, Miss.

Capt. Henry E. Weil, formerly vice-president of the Bradshaw & Weil general agency, Paducah, Ky., has been appointed commanding officer of one of the training squadrons at Blytheville army air field, Blytheville, Ark. He has served as assistant base supply officer, base supply officer and material officer.

Two employees of Badger Mutual Fire have entered the army. Alvan W. Lott, special agent in Wisconsin and former special agent in Illinois, is an engineer in the safety and security branch of the ordnance department at Chicago and Fritz Wetzel, tabulator operator at the home office is now a private.

J. J. Schieffelin, who was head of the

hull and yacht department of Chubb & Son, New York City, before he entered the navy as lieutenant commander, has been promoted to commander in charge of the naval intelligence training school at Quonset, R. I. He has applied for active duty in the Pacific, although it may mean a reduction in rank to lieutenant commander, and at present is at the Naval War College at Newport, R. I.

F. L. Rauscher, assistant underwriter of the E. Dana Johnson & Co. general agency of Jacksonville, Fla., has entered the army air corps and is stationed at Miami. Since May, 1942, four key men of the general agency have entered military service.

Don B. Davidson, formerly state agent of Firemen's in Michigan with headquarters at Jackson, who has been a lieutenant in the navy since last fall, has now moved his family to Washington where he is stationed.

C. G. Yager, chief adjuster for the casualty division of the Loyalty group at Indianapolis, has been commissioned a lieutenant (j.g.) in the naval reserve and is undergoing training at Dartmouth.

Theodore Mack, former special agent of American Surety in Detroit, has been promoted from second lieutenant to first lieutenant in the army. He trained at Fort Benning, Ga., and is now at Fort McClellan, Ala.

Twenty-four employees of the California department are now in service. Latest to enlist is Miss Elsie Frizzi of the San Francisco office, who has joined the WAACS. At an informal reception, Commissioner Caminetti presented her with a fountain pen, gift of her associates.

Elliot P. Knight, superintendent of the engineering department of the Employers' group, has been commissioned lieutenant commander in the naval reserve and assigned to the staff at the navy yard in Boston, where he will supervise engineering and inspection work. The engineering department will be under the supervision of Harold L. Jones as acting superintendent. He will be assisted by Edward M. Griffin as an acting assistant superintendent. He has been home office supervisor.

James Gwin, Employers Casualty, Oklahoma City, is in the service at Amarillo, Tex. **Wade Mathers** of the same office has reported for duty at Midland, Tex.

Reported as missing in action in North Africa, **Sergt. Vincent Emerich**, formerly with National Life & Accident in Louisville, is a prisoner of the Germans. He was navigator of a Flying Fortress. He is a nephew of Claude Emerich, for years Kentucky state agent of Globe & Rutgers.

Mrs. Ruth Murphy, the first insurance woman in Cincinnati to join the WAVES, has been ordered to report to Stillwater, Okla. She is the daughter of the late Harry Cohen, who was assistant secretary of the Underwriters Salvage Corps and has been employed in the W. S. Hukill agency.

Theodore Safford, vice-president of the R. W. Shell & Co. agency of Cincinnati, has been promoted from captain to major in the chemical warfare division. He is property officer, being located at Camp Knox, Ky.

Beall Fidelity Mutual Secretary

G. T. Beall was elected secretary of Fidelity Mutual at the annual meeting in Indianapolis. Mr. Beall, formerly manager of the agency department, has been connected with the company since its organization.

George B. Maginni of the Perkins & Geoghegan agency discussed the fire policy at the meeting of the Women's Insurance Club of Cincinnati.

Ask your company for the Argus Chart—both fire and casualty. Each gives the most information available.

60th Anniversary

DUBUQUE FIRE & MARINE

Insurance Company

Dubuque, Iowa

DUBUQUE, IOWA

Charles J. Schrup, President and Treasurer

W. R. Reilly, Vice President

B. J. Oswald, Secretary

Annual Statement, December 31, 1942

ASSETS

Cash and U. S. Government Bonds	\$2,462,190.88
Other Bonds	782,300.45
Stocks	1,208,687.35
Real Estate Mortgage Loans	8,912.64
Real Estate Sold Under Contract	49,278.12
All Other Real Estate	150,491.15
Premiums in Course of Collection	
(Not over 90 days)	499,244.76
Policyholders Premium Notes (Fully secured)	112,572.79
Interest Accrued on Loans and Bonds	29,392.51
Other Assets	12,933.05
	\$5,316,003.70

LIABILITIES

Unearned Premiums	\$2,902,940.91
Reserve for Losses	208,973.75
Reserve for Adjustment Expense	18,533.73
Reserve for Taxes and Other Liabilities	149,525.48
Capital	\$1,000,000.00
Surplus	1,036,029.83
Policyholders Surplus	2,036,029.83
	\$5,316,003.70

Bonds and Stocks in above statement carried at December 31, 1942 market quotations. On the basis of amortized values on bonds eligible for amortization and stocks and other bonds at December 1, 1942 market quotations, total assets would be \$5,259,679.17 and policyholders surplus \$1,979,705.30.

Securities carried at \$215,812.00 in the above statement are deposited as required by law.

COMPARATIVE EXHIBIT

Year	Assets	Reserves	Policyholders' Surplus
1883	\$ 105,941.37	\$ 2,986.18	\$ 102,955.19
1893	301,631.88	64,374.41	237,257.47
1903	552,979.83	176,506.38	376,473.45
1913	1,603,255.54	984,487.42	618,768.12
1923	3,681,928.58	2,358,864.24	1,323,064.34
1933	4,485,269.65	3,023,664.31	1,461,605.34
1942	5,316,003.70	3,279,973.87	2,036,029.83

Sixty Years of Progress Invites Your Confidence

Pick Commissioners Chairman April 10

COLUMBUS—Superintendent Lloyd of Ohio, in resigning to become vice-president of Union Central Life, also resigned as chairman of the executive committee of the National Association of Insurance Commissioners. John Sharp Williams of Mississippi, president of the association, has stated that no action will be taken on Mr. Lloyd's resignation until the meeting of the executive committee, which is to be held here April 10.

Observers believe that the new chairman of the executive committee will be either John B. Gontrum of Maryland, Newell Johnson of Minnesota or Jas. M. McCormack of Tennessee. From a geographical standpoint Mr. Johnson may have the edge since the president is a southerner and the vice-president is an easterner, although Mr. Johnson is a junior in the ranks compared to the other two.

New Committees

Changes in the membership of committees of the National Association of Insurance Commissioners are announced by Secretary Jess G. Read of Oklahoma. The changes consist in naming new commissioners to the committee posts that were occupied by their predecessors. Thus Forbes of Michigan takes the place of Berry; Hodges of North Carolina succeeds Boney; Neel of Pennsylvania succeeds Alexander; Eggleston, South Carolina, succeeds Benjamin; Cullen of New York succeeds Pink.

On the blanks committee H. Raymond Strong succeeds M. B. Gammill of Texas and Donald R. Hodder of Nebraska is appointed as a new member.

Interesting Historical Picture Is Discovered

NEW YORK—An interesting story appeared recently in the New York "Herald Tribune" in connection with the newly formed Marine Corps Women's Reserves. A public relations officer of the marine corps dug up some old photographs among which was a picture of three young women in uniform, members of the Marine Corps Reservists of the last war. The names were found and the following advertisement inserted in the newspaper the next day:

"Ruth Spike, Mary Kelly or May O'Keefe, formerly of Marine Corps Reservists, New York. Call Pennsylvania 6-4000 Extension 106." Before noon the next day four calls were received in answer to the ad.

Ruth Spike is now Mrs. Frank B. Zeller, wife of the U. S. marine manager, Royal group. The other two were also contacted and found to be living in the vicinity of New York City.

Convert Filling Stations Into Dwellings Now

Filling stations in various parts of the country that have been closed for the duration are now being occupied as dwellings, company underwriters are discovering. These conversions are being made in country districts and places where there is housing shortage. Apparently some proprietors of filling stations have sought out families to occupy the premises, not only to produce income but also to protect the property against vandalism.

Pa. Committees Meet March 11

A joint meeting of the executive committee and directors of the Pennsylvania Association of Insurance Agents will be held in Harrisburg March 11. Members of the legislative committee and committee on rules and rates have also been invited to attend. J. F. Morgan, president, will preside.

Two Hartford's Tablet Contains 257 Names



A silver honor roll tablet, containing the names of the 543 men and women from Hartford Fire and Hartford A. & I. who have so far joined the services has been erected in the lobby of the home office. Names of those who have gone into the services were obtained from all departmental and branch offices and the tablet provides room for 257 more names. No formal ceremony marked the unveiling, but work was stopped 15 minutes before the usual closing hour as a tribute to those named on the tablet.

An eagle crowns the tablet and under it are bas-reliefs of the heads of a soldier, sailor, marine and aviator. The legend "Our Defenders of American Liberty" appears at the top of the list and at the bottom of the tablet are the words, "The Two Hartford's."

The model for this Honor Roll tablet was designed by Rene Chambellan, New York sculptor.

Action in Mississippi

At the meeting of the executive committee of the Mississippi Association of Insurance Agents the manager was instructed to write the insurance commission and the Mississippi Rating Bureau calling attention to the fact that the association recommends the adoption of the new New York standard fire policy for the state concurrently with its effective date in New York.

Premiums Up 14 Percent

A gain of nearly 14 percent in net premiums was recorded by 52 stock fire companies, the A. M. Best Company finds. There was an increase of only 3 percent in premium reserve which indicates a moderate rise in fire volume and a very substantial increase in war risk ocean marine. The average incurred loss ratio of these companies was 58.3 or an increase of 7 points. The expense ratio was 41.4, a decrease of nearly 3 points.

H. J. Deobald, formerly in the Columbus, O., claim department of Lumbermen's Mutual Casualty and until recently a captain in the 2nd army headquarters at Memphis, has been made a major. W. H. McIntosh of the Chicago service department has advanced from first lieutenant in the Chicago army medical pool to captain. Andrew R. Skinnell, former assistant sales manager of the eastern department, has graduated from the army officers candidate school, State College, Miss., as a 2nd lieutenant. J. V. Donoghue, underwriter in Chicago, has been made a lieutenant in the marines. He had previously been reported injured during action at Guadalcanal.

Premiums on Principal Lines in 1942

AMERICAN, N. J.		CENTRAL, MD.	
Fire	\$11,208,805	Net Prem. \$93,988	Net Losses \$31,150
Extended coverage	1,174,021	Extended coverage	94,606
Tornado-windstorm	581,795	Tornado-windstorm	19,927
Sprinkler leakage	47,021	Sprinkler leakage	5,465
Riot and explosion	273,418	Riot and explosion	1,019
Earthquake	31,549	Earthquake	232
Hail	230,637	Hail	1,833
Motor vehicle	2,103,166	Motor vehicle	53,076
Ocean machine (excluding war risks)	1,302,868	Ocean Marine (excluding war risks)	17,409
Inland marine	1,774,090	Inland marine	34,194
Aircraft	35,810	Aircraft	653
Ocean marine (war risks only)	3,055,637	Ocean marine (war risks only)	101,069
Other lines	541	Other lines	86,491
	752		799

AGRICULTURAL

AGRICULTURAL		CENTURY	
Fire	\$4,525,971	Net Prem. \$835,448	Net Losses \$431,339
Extended coverage	391,906	Extended coverage	81,752
Tornado-windstorm	116,124	Tornado-windstorm	22,560
Sprinkler leakage	19,059	Sprinkler leakage	5,519
Riot and explosion	138,158	Riot and explosion	16,132
Earthquake	9,190	Earthquake	2,518
Hail	41,294	Hail	5
Motor vehicle	1,232,963	Motor vehicle	87,561
Ocean machine (excluding war risks)	737,548	Ocean Marine (excluding war risks)	602,632
Inland marine	245,868	Inland marine	98,087
Aircraft	33,327	Aircraft	2,317,020
Ocean Marine (war risks only)	1,368,660	Ocean Marine (war risks only)	1,855,270
	1,391,803		

AMERICAN, CENTRAL

AMERICAN, CENTRAL		COLUMBIA FIRE, N. J.	
Fire	\$1,694,641	Net Prem. \$468,304	Net Losses \$175,081
Extended coverage	198,220	Extended coverage	49,969
Tornado-windstorm	55,730	Tornado-windstorm	24,757
Sprinkler leakage	7,053	Sprinkler leakage	2,001
Riot and explosion	13,788	Riot and explosion	11,666
Earthquake	3,317	Earthquake	1,343
Hail	353,784	Hail	9,814
Motor vehicle	230,316	Motor vehicle	89,496
Inland marine	94,843	Inland marine	59,302
	33,688	Aircraft	158

ATLANTIC CITY

ATLANTIC CITY		COMMERCIAL UNION, ENG.	
Fire	\$ 19,444	Net Prem. \$ 19,444	Net Losses \$ 19,444

BANKERS F. & M.

BANKERS F. & M.		COMMERCIAL UNION, N. Y.	
Fire	\$ 32,907	Net Prem. \$ 660,551	Net Losses \$ 225,805
Extended coverage	2,683	Extended coverage	78,074
Tornado-windstorm	2,162	Tornado-windstorm	21,980
Motor vehicle	3,187	Sprinkler leakage	2,774
Inland marine	738	Riot and explosion	5,403
	47	Earthquake	1,271,402

BIRMINGHAM FIRE, ALA.

BIRMINGHAM FIRE, ALA.		DIXIE FIRE	
Fire	\$ 163,271	Net Prem. \$ 234,152	Net Losses \$ 87,540
Extended coverage	7,539	Extended coverage	24,984
Motor vehicle	—5	Tornado-windstorm	12,379
Inland marine	—	Sprinkler leakage	1,000
	506	Riot and explosion	5,833

BOSTON

BOSTON		EMMCO	
Fire	\$ 3,355,834	Net Prem. \$ 107,684	Net Losses \$ 4,489
Extended coverage	342,192	Extended coverage	26,657
Tornado-windstorm	85,483	Tornado-windstorm	5,847
Sprinkler leakage	17,090	Sprinkler leakage	940
Riot and explosion	69,422	Riot and explosion	993
Earthquake	6,742	Motor vehicle	44,748
Motor vehicle	575,830	Inland marine	29,651
Ocean marine (excluding war risks)	1,061,533	Ocean Marine (excluding war risks)	302,500
Inland marine	444,587	Inland marine	93,289
Aircraft	484	Aircraft	14,940
Ocean Marine (war risks only)	1,430,713	Ocean marine (war risks only)	658,688
Rain	1,791		688,665

BRITISH GENERAL

BRITISH GENERAL		EMPIRE STATE	
Fire	\$ 282,982	Net Prem. \$ 969,429	Net Losses \$ 378,234
Extended coverage	34,100	Extended coverage	97,234
Tornado-windstorm	9,608	Tornado-windstorm	27,143
Sprinkler leakage	1,211	Sprinkler leakage	4,252
Riot and explosion	2,343	Riot and explosion	13,480
Earthquake	563	Earthquake	3,179
Motor vehicle	61,111	Motor vehicle	209,406
Inland marine	31,217	Inland marine	302,500
	11,226	Aircraft	134,618

CAMDEN FIRE

CAMDEN FIRE		EQUITY FIRE, MO.	
Fire	\$ 4,163,342	Net Prem. \$ 1,815,376	Net Losses \$ 620,595
Extended coverage	435,117	Extended coverage	203,725
Tornado-windstorm	112,526	Tornado-windstorm	44,256
Sprinkler leakage	70,546	Sprinkler leakage	7,493
Riot and explosion	2,343	Riot and explosion	32,343
Earthquake	8,309	Earthquake	4,753
Hail	21,066	Hail	147,785
Motor vehicle	990,398	Motor vehicle	1,492,805
Ocean marine (excluding war risks)	276,232	Ocean marine (excluding war risks)	505,838
Inland Marine	539,002	Inland marine	334,233
Aircraft (P.D.)	1,053	Aircraft	109,768
Ocean Marine (war risks only)	72,169	Ocean Marine (war risks only)	201
Other lines	908	Inland marine	94,605
Aviation	14,637	Aircraft	64,862
	245		89

CAPITAL FIRE, CAL.

CAPITAL FIRE, CAL.		EUREKA SECURITY F. & M.	
Fire	\$ 270,017	Net Prem. \$ 1,941,936	Net Losses \$ 846,339
Extended coverage	28,305	Extended coverage	256,377
Tornado-windstorm	5,685	Tornado-windstorm	59,813
Sprinkler leakage	2,136	Sprinkler leakage	4,670
Riot and explosion	4,432	Riot and explosion	4,732
Earthquake	1,047	Earthquake	9,983
Hail	327	Hail	325,425
Motor vehicle	36,482	Motor vehicle	590,896
Ocean marine (excluding war risks)	57,653	Ocean Marine (excluding war risks)	201
Inland marine	18,773	Inland marine	94,605
Aircraft	6,985	Aircraft	64,862
Ocean Marine (war risks only)	220,535	Ocean Marine (war risks only)	89
	199,162		

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FIDELITY & GUARANTY FIRE

	Net Prem.	Net Losses
Fire	\$2,476,804	\$ 930,263
Extended coverage	344,949	93,660
Tornado-windstorm	65,148	33,404
Sprinkler leakage	9,644	2,864
Riot and explosion	34,631	6,218
Earthquake	1,710	7
Motor vehicle	2,509,800	1,059,615
Ocean marine (excluding war risks)	116,323	48,101
Inland marine	560,925	223,848
Aircraft	49,394	14,641
Ocean marine (war risks only)	76,884	141,998

GENERAL EXCHANGE

Motor Vehicle	\$8,459,794	\$13,706,707
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GULF, TEX.

Fire	\$1,474,482	\$ 397,171
Extended coverage	362,626	156,890
Tornado-windstorm	76,578	66,093
Sprinkler leakage	702	766
Riot and explosion	7,246	901
Earthquake	9,459	3,939
Hall	300	35
Motor vehicle	508,458	285,838
Inland marine	56,193	15,388
Other lines	31,332	10,003

INDIANA

Fire	\$ 177,232	\$ 58,845
Extended coverage	91,683	38,357
Motor vehicle	915,840	445,188
Inland marine	12,808	7,220
Other lines	28,201	10,225

INDEMNITY MARINE

Ocean Marine (excluding war risks)	\$ 450,759	\$ 280,529
Inland marine	179,800	81,304
Ocean marine (war risks only)	947,724	903,667

INTERNATIONAL

Fire	\$ 227,469	\$ 1,047,679
Extended coverage	166,607	15,224
Tornado-windstorm	119,736	20,248
Sprinkler leakage	11,621	2,154
Riot and explosion	51,630	2,794
Earthquake	6,083	—
Hall	41,308	9,494
Motor vehicle	59,731	101,659
Inland marine	14,168	17,387
Aircraft	1,157	1

MERCHANTS, COLO.

Fire	\$ 791,997	\$ 316,220
Extended coverage	104,015	36,476
Tornado-windstorm	49,572	27,925
Sprinkler leakage	1,485	357
Riot and explosion	4,404	545
Earthquake	1,698	904
Motor vehicle	241,673	150,199
Inland marine	22,899	10,121

MONARCH

Fire	\$ 860,249	\$ 345,921
Extended coverage	114,575	24,960
Tornado-windstorm	31,268	19,697
Sprinkler leakage	4,429	2,392
Riot and explosion	13,494	1,076
Earthquake	4,566	21
Motor vehicle	256,655	135,737
Inland marine	41,347	26,706
Aircraft	47	375

MOTORS INS.

Motor vehicle	\$1,174,181	\$1,107,546
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NATIONAL GRANGE FIRE

Fire	\$ 80,804	\$ 12,263
Motor vehicle	116,851	14,702
Inland marine	2,253	1,890

NATIONAL UNION FIRE

Fire	\$ 6,111,370	\$ 2,102,117
Extended coverage	828,909	146,551
Tornado-windstorm	165,228	120,037
Sprinkler leakage	46,832	8,847
Riot and explosion	241,422	2,995
Earthquake	11,188	25
Hall	5,228	1,761
Motor vehicle	1,856,179	1,388,403
Ocean Marine (excluding war risks)	193,131	56,897
Inland Marine	98,257	381,094
Aircraft	87,193	30,978
Ocean marine (war risks only)	396,110	340,014
Other lines	355	1,454

NORTHERN, N. Y.

Fire	\$ 3,459,679	\$ 1,276,846
Extended coverage	376,079	90,444
Tornado-windstorm	129,723	115,644
Sprinkler leakage	10,200	2,260
Riot and explosion	17,827	103
Earthquake	9,091	—
Motor vehicle	1,380,662	609,527
Inland marine	3,694	1,233
Flood	540	—

NORTHEASTERN

Fire	\$ 816,291	\$ 1,047,706
Extended coverage	55,580	45,215
Tornado-windstorm	33,693	32,255
Sprinkler leakage	6,645	4,366
Riot and explosion	35,447	4,648
Earthquake	6,197	1,880
Hall	16,350	14,873
Motor vehicle	—19,792	46,433
Ocean Marine (excluding war risks)	1,273,757	748,164
Inland marine	95,738	108,024
Ocean marine (war risks only)	2,488,697	1,990,759

NORTHWESTERN F. & M.

	Net Prem.	Net Losses
Fire	\$ 441,645	\$ 177,309
Extended coverage	39,200	9,291
Tornado-windstorm	27,514	15,062
Sprinkler leakage	1,809	454
Riot and explosion	8,901	142
Earthquake	529	—
Hail	46,198	36,337
Motor vehicle	78,929	51,131
Ocean marine (excluding war risks)	199,531	167,502

OLD COLONY

	Net Prem.	Net Losses
Fire	\$ 1,151,518	\$ 430,045
Extended coverage	27,251	9,017
Tornado-windstorm	7,520	5,384
Sprinkler leakage	1,840	534
Riot and explosion	22,413	1,040
Earthquake	1,431	—
Motor vehicle	178,354	77,698
Ocean Marine (excluding war risks)	276,397	179,501
Inland marine	169,249	68,762
Aircraft	148	389
Ocean marine (war risks only)	480,410	583,753
Rain	375	—

PACIFIC COAST FIRE

Fire	\$ 278,483	\$ 143,780
Extended coverage	27,251	9,017
Tornado-windstorm	7,520	5,384
Sprinkler leakage	1,840	534
Riot and explosion	5,377	469
Earthquake	839	14
Motor vehicle	29,187	17,603
Ocean Marine (excluding war risks)	62,422	48,811
Inland marine	31,513	14,075
Ocean marine (war risks only)	165,661	114,888

PACIFIC FIRE, N. Y.

Fire	\$ 2,157,469	\$ 832,655
Extended coverage	231,648	75,377
Tornado-windstorm	63,369	45,867
Sprinkler leakage	15,407	916
Riot and explosion	10,590	33
Earthquake	10,526	—
Motor vehicle	1,329,856	1,053,473
Inland marine	31,890	11,231
Ocean marine (war risks only)	67,224	144,845

PALATINE

Fire	\$ 730,706	\$ 259,166
Extended coverage	88,174	37,268
Tornado-windstorm	24,781	18,406
Sprinkler leakage	5,139	1,440
Riot and explosion	6,142	454
Earthquake	1,479	—
Motor vehicle	157,253	102,372
Inland marine	31,890	11,231
Other lines	37	257

Regulation of Reciprocals Upheld

(CONTINUED FROM PAGE 3)

regulations for the control and custody of their funds. No subscriber is to be granted a preferred claim against the operating reserve.

State's Protective Standards

The court states that these regulations cannot be attacked merely because they affect business activities of reciprocals that are carried on outside the state. Of necessity any regulations affecting the solvency of those doing an insurance business in a state must have some effect on business practices of the same company outside the state. There is nothing in the constitution that requires a state to nullify its own protective standards because the enterprise regulated has its headquarters elsewhere. The power New York may exercise to regulate domestic insurance associations may be applied to foreign associations which New York permits to conduct the same kind of business. Neither New York nor Illinois loses the power to protect the interests of its citizens because these associations carry on activity in other places, the court states.

"We think the regulations themselves, since they are aimed at the protection of the solvency of the reciprocals or at promoting the convenience with which New York residents may do their insurance business, are all within the scope of state power."

It was argued that the requirement of each new subscriber to have net assets of \$10,000 violates the equal protection clause of the constitution. The court explains that each subscriber is also an insurer and other subscribers are dependent on his financial responsibility. Consequently, there is no reason why the legislature might not think this provision necessary.

One of the complaints of the reciprocals was that different requirements have been put on them than on mutual companies. The court said: "We have previously held that a cooperative insurance company may be subject to separate classification for the purpose of determining how it shall be regulated."

Method of Procedure

The facts in the case show that the canner or wholesale grocer in New York signs an application to become a subscriber. This is sent to the attorney in fact in Chicago. An insurance engineer may be sent to New York to investigate the risk. If the risk is accepted then the applicant signs the power of attorney and sends it with the application back to the attorney in fact. The latter then issues a policy of inter-insurance which he mails to the subscribers in New York. The engineer may later visit subscribers from time to time to check the risk, etc., and may give information to a prospective participant though he does not actively solicit business. The contract gives the reciprocal the right to go into New York to repair, rebuild or replace lost or damaged property. The reciprocals argued from this that they actually are not engaged in "doing business" in the state.

Property Within Borders

However, the supreme court points out that the business transactions neither begin nor end with the contract. The property insured is in New York. States long have held great authority over the property within their borders. Contracts formally made in one state may remain subject to the law of the state of the situs of the property, particularly with respect to immovables.

The court concludes that in determining whether insurance business is done within a state for the purpose of deciding whether a state has the power to regulate, great weight must be given to location and activity prior and subsequent to the making of the contract, to the degree of interest of the regulating

state in the object insured, and to the location of the property insured.

The actual physical signing of the contract may be only one element in a broad range of business activities. Important as the execution of written contracts may be, it is ordinarily but an intermediate step serving to tie up prior business negotiations with future consequences which themselves are the real object of the business transaction.

There was no question of license involved in the suit because the reciprocals had acted before the effective date of the 1939 revision in statutes as applicable to them. They had been operating under a license issued in 1930 which was automatically renewable each year.

Among the facts brought out in the case was that more than 50,000 contracts affecting New York risks have been executed by the reciprocals since they began doing business, and gross pay-

ments by New York firms as premiums or deposits amounted to more than \$2,000,000 between 1931 and 1938.

The case received a variety of treatment in the several courts in which it was litigated. The trial department of the supreme court of New York held that New York did have the power to regulate reciprocals but nullified some of the statutes on the ground of unreasonable regulations. The reciprocals and the state insurance department both appealed to the appellate division of the supreme court where the reciprocals won on all counts. Then Superintendent Pink appealed to the state court of appeals, which reversed the lower court, and it was this decision that the supreme court affirmed.

Franklin D. Trueblood and Craig R. Johnson of Chicago appeared for the reciprocals and Attorney-general Goldstein for the state.

Wartime Problems Viewed in Minnesota

(CONTINUED FROM PAGE 3)

Leadeau, Grand Rapids, the smaller cities.

As a result of a survey, Mr. Crowell said he was convinced that the effect of the war on insurance has been gradual; that insurance is in an extremely favorable position; that the war will not diminish the need for the local agent's product, and that the local agent is in an essential business. Agents on the panel were asked to review the effect of the war on manpower problems, lost lines and their replacement, the effect of gasoline and tire rationing, time control in agencies and relations with the companies.

Solve Manpower Problem

On the manpower question, Mr. Hirman said he had lost two-thirds of his staff but had solved the problem by hiring older, married women who had at some time had insurance office experience and by making some adjustments in salaries to meet the pay offered by other businesses. C. F. Liscomb, Duluth, agreed with Mr. Hirman that older women offered the best solution of the office problem. His greatest difficulty is in getting experienced men. The consensus was that to date the manpower problem has not become as serious in Minnesota as in some other states where there is more war production work.

The discussion brought out that the lost lines problem has not yet been serious in this area and that replacement business has been fairly good.

Replace Lost Business

Extended coverage has increased business and life and accident lines have helped to make up for lost business on standard coverages. Rental, U. & O., comprehensive liability and medical payments all have helped to take up the war-time slack.

Ed Swanberg, Worthington, wanted to know how much volume a local agent, without help, should do in a year. Mr. Crowell said his survey indicated \$25,000 was about the right amount. Mr. Hirman said he does not look for a large loss in automobile business and added that farm business offers a good field.

Mr. Kelley predicted that collections are going to be bad. As far as transportation is concerned under gasoline rationing, it was the consensus that B cards give the average agent enough gasoline. Both Mr. Hirman and Mr. Kelley declared rationing had actually helped the situation. There was an animated discussion on valuation services. Mr. Hirman thought the companies should provide it; Mr. Kelley was opposed and someone else thought the safest way was to let the assured put his own valuation on the property.

A suggestion that companies take the local agents into their confidence when proposing rate changes was applauded. More information on new forms was advocated. Some agents

thought it would be a good idea if field men would notify the agent when they would be in a town and advise the agent what particular business he had on his mind. This would save time for both of them, it was suggested.

Mr. O'Connor's panel of company men opened with a discussion on the sales possibilities of the personal property floater in small towns. George Van Wagenen, general agent, said it could and he could see no reason why the local agent who made a study of it and pushed the business could not reap a harvest. Richard Bancroft, St. Paul Fire & Marine, said it was just a case of getting out and working.

Sell Liability to Farmers

C. L. Clark, Fred L. Gray Co., answered a query on the present status of the master electricians' bond in Minnesota resulting from a supreme court decision. Benjamin F. Gates, Hartford Accident, explained the possibilities of selling comprehensive liability to farmers and cited actual figures where one rural agent in western Minnesota sold 18 out of 23 prospects.

Joint control with guardians and administrators of funds and estates gives the agent an inside track on insurance involved, it was pointed out. Mr. Bancroft said one of the most overlooked lines is shippers' liability. More and greater losses are coming and the carrier is liable in most instances, he said. He strongly recommended the sale of the transit floater.

Wants U. & O. Law Change

Mr. Van Wagenen expressed the hope the Minnesota agents association would get behind a movement for a change in the U. & O. law in Minnesota. Ed Westrum, Albert Lea, raised the question whether if a tenant made improvements in his place of business and carried insurance, the owner should also carry it. H. M. Forrey, Jr., Fire Association, explained that the owner would have to increase his insurance to comply with the co-insurance clause and Mr. O'Connor said that while this looked like double insurance on the surface, there were really two different types of insurance involved. Mr. Van Wagenen said agents who neglect rent insurance are overlooking a good bet.

Value of Agent Appreciated

Mr. O'Connor asserted that the last 10 years have brought greater realization of the value of the local agent in his community. In answer to dire predictions on the future, Mr. O'Connor said "we have no right to assume that either the agency or the direct writing system will pass out." The suggestion that the agent might as life insurance agents in England, become merely a sleuth to locate the business while company men do all the work of underwriting and servicing the account, brought the assertion that "I don't think the

American agent wants to be reduced to a bird dog."

In closing his panel discussion Mr. O'Connor said the agents have done an impressive job on war damage insurance. "The start was fine, the follow through good, now keep up the good work," he advised.

As indicating the keen interest the agents took in this phase of the program questions were still pouring in from the floor when Mr. O'Connor had to bring the forum to a close. The unanswered questions were turned over to President R. A. Thompson of the state association for such disposition as the association sees fit.

Victory Tax Explained

The effect of the victory tax on local agents was explained by Joseph Le Vine, representative of the internal revenue department, St. Paul. Where an agent is regarded as an independent contractor by the employer, the latter should not withhold the victory tax. If an agent is paid both a commission and a salary, the tax should be withheld on both items. If the employer pays the social security tax for an agent, that signifies an employer-employee relationship and the victory tax should be withheld. If the employer withholds the tax from an agent who is an independent contractor and the latter furnishes a statement of traveling and other expenses, the amount of such expenses may be refunded from the amount withheld. But if no such expense statement is filed there shall be no refund.

Charles F. Liscomb, Duluth, state director for Minnesota, told of the public relations program brought out at the National association's Tulsa meeting. He announced that the Minnesota executive committee had endorsed the program and had voted to contribute toward the fund.

ST. PAUL SIDELIGHTS

George A. Thompson, Minneapolis, was elected to the executive committee of the Minnesota association to succeed the late Ward Senn of Minneapolis.

John H. Hanna, R. M. Neely Co., St. Paul general agency, was in particularly high spirits because of the arrival of a new daughter, Nancy.

C. R. Hewitt came down from the north woods with the information that although his town of Dorset dropped to a population of 40 last year, he wrote \$18,500 in premiums, gain over the previous year. He accomplished this largely by writing \$9,000 of life business.

The following had headquarters: Home, American Automobile, Anchor Casualty, Commercial Union group, American group, Fred S. James & Co.; Thomas G. Linnell, Lloyds of Minneapolis, North America group, Ohio Casualty, Frank Rogers, U. S. F. & G., W. W. Foster, J. M. Fraser, and Fred L. Gray Co.

The luncheon given by the Minnesota Underwriters Association made a great hit with the agents. Frank Sather, president, was in charge. Prof. Ralph Nichols, University of Minnesota, spoke. An entertainer put on a Swedish monologue.

The **Insurance Exchange of St. Paul**, which sponsored the get-together dinner, ran into union difficulties. Because the orchestra engaged for the dinner was non-union, the union boys threatened to picket the dinner. Rather than have any trouble of this kind, President Karl Klein and other exchange officials hired union entertainers.

The **St. Paul group** put on an excellent luncheon the opening day of the conference.

A familiar figure at the conference was **T. J. Lilly**, Continental, dean of Minnesota field men.

In a brief business session, the association **amended its constitution**, changing the title of national councillor to national state director and bringing the Minnesota association in line with the new setup of the National association.

In addition to C. H. Smith of Hartford Fire, a number of **company officials** were present from Chicago and other western departments, as well as a large representation from the Minnesota field. J. G. McFarland, Rockford, agency superintendent **American of Newark**, was on hand, and from Chicago came J. J. Hubbard, resident secretary **Security of New**

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Haven, J. M. Fraser, manager London & Lancashire Indemnity, I. C. Faber, Cook county manager National Union, and Lyman McIntyre, assistant superintendent Springfield F. & M.

Rent Combination Plan Is Used

Now that rent insurance is being popularized to such an extent, a number of agents are recommending a scheme whereunder householders may get rent coverage at no extra cost beyond that for fire and extended coverage. If an assured has been carrying fire insurance in adequate amounts, then it is recommended to him that he reduce the amount of his fire insurance and put the difference into rent insurance. For instance, if an assured had been carrying \$10,000 fire insurance he might reduce that amount to \$9,100 and then buy \$900 of rent insurance payable \$100 a month for nine months.

The theory is that in the event of a partial loss the assured would be reimbursed for the physical damage and would recover under his rent policy as well as if he were compelled to move out of the premises for a time. In the event of a total loss he would receive the face of his policy plus recovery under his rent insurance contract so that if it required nine months to rebuild, he would be in the same position as if he had carried \$10,000 of straight fire insurance. Of course if the house can be rebuilt in less than nine months he would not stand as well as if he had carried \$10,000 property damage cover.

Such a combination is somewhat comparable to the S.E.U.A. extended cover contract in which rent is one of the perils covered. In the event of a partial loss, there would be recovery under the rent item but in case of a total loss there is nothing to be paid under the rent item.

A. M. A. Conference

The American Management Association announces that its insurance department spring conference will be held in the Hotel New Yorker, New York City, May 25-26. Its conference on war time financial management will take place at the Hotel Pennsylvania, March 24-25.

Lyman Candee Dies at 77

Lyman Candee, 77, retired vice-president of Globe & Rutgers, died in New York after a month's illness.

Fire Mutual Companies' 1942 Figures

	Adm. Assets	Unearned Prem.	Net Surplus	Net Prem.	Net Losses Paid
American Mutual Reins.	1,099,612	1,479	1,000,000	9,622	.....
Arkwright Mutual	8,978,999	3,671,366	4,970,625	3,611,856	284,609
Atlantic Mutual, Ga.	1,509,143	555,433	556,444	645,211	203,195
Atlas Mutual	229,283	63,163	136,019	94,960	55,163
Austin Mutual, Minn.	828,301	241,629	442,312	928,527	405,958
Automobile Mutual, R. I.	4,691,113	306,473	3,980,395	588,682	73,552
Buckeye State Mutual	171,930	.....	148,728	189,419	130,625
Capital, Nebr.	192,405	33,363	102,000	110,881	38,882
Citizens Fund Mutual, Minn.	471,633	195,628	200,000	429,899	176,846
Citizens Mutual, Mass.	541,772	158,489	366,395	163,539	42,586
Dorchester Mutual	766,373	335,752	401,520	278,495	82,333
Druggists' Mutual, Ia.	342,327	115,484	211,273	174,858	54,822
Employers Mutual Fire, Wis.	745,363	318,621	276,759	422,654	102,479
Farmers Alliance, Kan.	1,883,918	1,023,658	655,078	870,681	380,378
Fidelity Mutual, Ind.	622,969	242,769	259,730	391,864	154,572
Firemen's Mutual, R. I.	9,450,765	5,163,073	3,896,703	4,878,043	273,885
Grain Dealers National, Ind.	4,673,127	2,334,065	1,676,354	3,223,940	1,017,771
Guarantee Mutual, O.	587,506	359,317	175,143	277,927	134,184
Hardware Dealers Mutual Fire.	9,596,902	4,680,269	3,650,236	5,181,668	1,637,444
Hardware Mutual, Minn.	7,466,828	4,311,307	2,145,954	4,924,516	1,515,944
Hartford County Mut., Conn.	4,062,899	259,789	2,545,382	188,745	64,310
Hingham Mutual	1,001,408	363,364	610,102	265,939	68,979
Holyoke Mutual	3,140,172	1,011,565	1,982,654	921,998	245,857
Indiana Union Mutual	185,713	100,533	71,063	155,711	40,129
Iowa Hardware Mutual	493,916	228,327	236,252	341,648	124,217
Los Angeles Mutual	522,310	.....	613,138	78,407	13,930
Lumbermens Mutual, O.	3,887,650	2,329,933	1,050,000	2,739,589	904,114
Lynn Mutual	705,945	236,841	446,193	227,161	59,017
Middlesex Mutual	2,915,697	870,120	1,908,415	866,628	224,461
Mutual Auto, Pa.	553,209	98,679	415,256	198,779	47,733
Mutual Fire, Harford Co., Md.	1,303,576	676,379	565,092	818,536	282,361
Mutual Fire, Saco, Me.	253,959	136,640	101,772	150,967	48,007
Mutual Fire, Marine, Pa.	3,754,468	549,903	2,636,271	469,135	420,141
National Jewelers Mutual	340,013	55,942	279,757	78,060	10,997
National Mutual, Pa.	127,809	.....	66,907	300,911	285,679
National Mutual Church	443,200	99,375	306,279	168,637	77,559
Northwestern Mutual, Wash.	11,682,009	7,389,563	3,103,240	8,062,165	2,508,265
Oregon Mutual Fire	2,169,281	1,304,284	721,787	1,236,522	412,998
Pennsylvania Millers'	3,972,586	820,162	2,365,772	1,109,224	311,340
Standard Reliance, Neb.	167,047	43,276	100,206	123,282	48,004
Tompkins Co-Operative, N. Y.	271,786	124,609	135,771	135,881	59,503
Union Mutual Fire, R. I.	1,907,700	992,615	521,761	1,667,985	477,046
Utica Fire, N. Y.	525,968	280,087	276,699	383,096	69,636

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. LaSalle St., Chicago, at close of business March 1, 1943.

	Par	Div.	Bid	Asked
Aetna Cas.	10	5.00*	135	140
Aetna Fire	10	1.80*	54	56
Aetna Life	10	1.40*	33	34 1/2
Amer. Alliance	10	1.20*	22 1/2	24
Amer. Equitable	5	1.00	18 1/2	20
Amer. Home	10	.....	8	10
Amer. (N.J.)	2.50	.60*	14	15
Amer. Surety	25	2.50	53	55
Automobile	10	1.40*	38	40
Balti.-Amer.	2.50	.40*	7 1/4	7 1/4
Boston	100	21.00	550	575
Camden Fire	5	1.00	21	22
Contl. Cas.	5	1.50*	36 1/2	37 1/2
Contl. N. Y.	2.50	2.20*	43	44
Fidelity-Phen.	2.50	2.20*	45	46
Fire Assn.	10	2.50*	60	63
Firemen's (N.J.)	5	.40	10 1/2	11 1/2
Firemen's Fund	10	3.00	78	79
Franklin Fire	5	1.40*	28	29 1/2
Gen. Reinsur.	5	2.00	44 1/2	46
Glens Falls	5	1.60	41	42
Globe & Repub.	5	.50	9	10
Gt. Amer. Fire.	5	1.20*	28	29 1/2
Gt. Amer. Ind.	2	.20	10	11 1/2
Hanover Fire	10	1.20	24 1/2	26
Hartford Fire	10	2.50*	93	95
Home (N. Y.)	5	1.60	25 1/2	30
Ins. Co. of N. A.	10	3.00*	73	75
Maryland Cas.	1	.....	4 1/2	5
Mass. Bonding	12.50	3.50	70	72
Mer. (N.Y.) Com.	5	2.00*	47	49
Natl. Cas.	10	1.00	24	26
Natl. Fire	10	2.00	59	61
Natl. Liberty	2	.40	7 1/2	8 1/4
Natl. Un. Fire	20	5.00*	171	175
New Amst. Cas.	2	.97 1/2	24	25
New Hampshire	10	1.80	43	45
Northern (N. Y.)	12.50	5.00*	93	96
Ohio Cas.	5	.70	19 1/2	21 1/2
Phoenix, Conn.	10	3.00*	86	89
Preferred Acci.	5	1.00	15	16
Prov. Wash.	10	1.40*	33	35
St. Paul F. & M.	62.50	10.00*	268	278
Vigilant, Conn.	10	1.40	37	39
Springf. F. & M.	25	4.75*	123	127
Standard Acci.	10	2.50	58	60
Travelers	100	16.00	432	442
U. S. Fire	4	2.00	49	51
U. S. F. & G.	2	1.25*	30	31

*Includes extras.

priority in order M-208 for reconstruction of "buildings, structures, and parts thereof to replace those destroyed or damaged by fire, flood, earthquake, tornado, act of God or the public enemy," would cover lumber used merely for temporary protection of a building or its contents.

It seems likely that the WPB would broaden the provision sufficiently to grant an automatic priority even if the material were not to be used to replace damaged parts. As the matter stands now, however, there is no automatic priority for lumber or any other material which might call for priority assistance and such assistance would have to be specially requested. It might be possible, of course, to use second hand lumber and other materials, which are not subject to priority restrictions.

Roy J. Chase, 59, who served as president of the National Association of Mutual Insurance Companies in 1936, died at Lockport, N. Y., after a year's illness. He had served for 27 years as secretary of Farmers Mutual of Niagara & Orleans counties and was president of the New York State Central Association of Mutual Insurance Companies in 1931-32.

Interesting Question Under New Form

An interesting hypothetical question

has been raised in connection with the new dwelling form in the west under which 10 percent of the contents item is made applicable to property temporarily located outside the residence of the assured in the United States, Canada and Newfoundland. Under this form 10 percent of the contents coverage is also made applicable to the property of non-paying guests in the residence of the assured.

Suppose a homeowner who is insured under this form, suffers a fire loss to his property while he is a guest of another who is also insured under the same form. The question is whether the guest would collect under his own policy or that of his host. The consensus seems to be that the host's policy would pay, for there is a proviso in the extension of coverage beyond the residence of the assured that there shall be no recovery if there is any other insurance that would cover the loss. There is no such proviso in the extension of coverage to the property of non-paying guests.

FEDERAL INSURANCE COMPANY

42nd Annual Statement, December 31, 1942

Cash in Banks	.....	\$ 4,189,011.13
United States Government Bonds	.....	7,279,017.61
All other Bonds	.....	2,053,106.90
Preferred and Guaranteed Stocks	.....	3,070,022.00
Vigilant Insurance Company Stock	.....	3,006,036.21
Other Common Stocks	.....	5,162,734.25
Premiums not overdue	.....	2,597,850.80
Other Assets	.....	348,700.03
Total	.....	\$27,706,478.93
Reinsurance balances payable	.....	3,558,138.56
Total admitted assets	.....	\$24,148,340.37
Reserves for: Losses	.....	\$ 3,050,265.00
Unearned premiums	.....	3,679,354.34
Other liabilities	.....	785,364.82
Total liabilities	.....	\$ 7,514,984.16
Capital	.....	\$ 4,000,000.00
Surplus	.....	12,633,356.21
Total	.....	\$24,148,340.37

Assets are valued in accordance with requirements of New York State Insurance Department. Securities carried at \$530,840.69 in the above statement are deposited with public authorities as required by law.

CHUBB & SON, Managers

INSURANCE OF MARINE, TRANSPORTATION, FIRE, AUTOMOBILE, JEWELRY, FINE ARTS AND OTHER PROPERTIES AND RISKS.

90 JOHN STREET, NEW YORK

AND

CHICAGO - ATLANTA - MONTREAL - JERSEY CITY

Represented by Agents and Brokers throughout the Country

Settle Chicago Row Out of Court

(CONTINUED FROM PAGE 1)

was ready to act on proposals to give the brokers and suburban agents a vote.

The amendments to release the brokers do not provide for any change in the rules governing relationship with suburban agents. There may be some complications in this direction, since some of the suburban agents are also licensed as brokers. Presumably if they have a brokers' license members of the board are required to accept business from them as brokers even though as agents they may represent non-board companies. Representatives of the board have had conferences lately with the directors of the Chicago Real Estate Board.

The suit is to be dismissed without the entering of any sort of consent decree.

Interest in Consequences

There will now be the utmost interest in what the effect of these amendments will be on the future of the Chicago Board and on fire insurance operations in Cook county. Some companies that are not operating in Chicago may be tempted to enter the city and make a bid for brokerage business without becoming members of the Chicago Board. Leaders in the brokers' association apparently realize that there is also the danger that lawyers and others who may be in a position to control substantial lines of insurance, may seek to become licensed as brokers since they can do business freely without being members of the board. The brokers' association desires to have the licensing law amended to provide stricter requirements.

One of the amendments to the by-laws that will be in substitution of a provision restricting payment of commission and brokerage to members of the Chicago Board, reads:

"Commission, brokerage, allowance or consideration of any kind shall only be paid to members of the corporation, except that this provision shall not apply to brokers, whether members of the corporation or not, who are duly licensed by the state of Illinois as insurance brokers. The by-laws shall not be modified or amended so as to provide that commission, brokerage, allowance or consideration may not be paid to a broker because he is not a member."

Discrimination Prohibited

Then there is this provision: "Commission and brokerage to broker shall be without discrimination as between brokers who are members of the corporation and brokers who are not members . . . and if at any time there shall not be a broker member class, then there shall be no discrimination between brokers as to brokerage and commission; and this provision of the by-laws shall not be modified or amended."

This provision seemingly would prevent the establishment of a system in Chicago comparable to that of the exchange agreement in New York whereunder brokers who sign the exchange agreement are entitled to receive a higher rate of commission than those that do not sign.

"No commission and brokerage shall be paid by any member to any broker unless such broker is duly licensed as an insurance broker by the state of Illinois."

A joint announcement was made Tuesday by Raymond Johnson, president of brokers association and Walter M. Sheldon, W. A. Alexander & Co., president of the Chicago Board.

"Adoption of the proposed amendments," the statement declares, "will release members of the brokers' class from the obligation of confining their fire insurance business to affiliated companies of the Chicago Board and will permit the brokers to place business with any carrier admitted to do busi-

ness in the state; permits the payment of brokerage to any person licensed as a broker by the state of Illinois, irrespective of membership; prohibits any discrimination in brokerage between brokers who are members and brokers who are not members of the Chicago Board. As to these changes, provision is made that they shall not hereafter be modified or amended."

Among those attending the conference last Thursday in which the agreement was reached were George C. Long, Jr., president of Phoenix of Hartford; Hayes McKinney of the Chicago law firm of McKinney, Folonie & Gear, representing the companies; E. L. Williams of the New York law firm of Wright, Gordon, Zachry, Parlin & Cahill, attorneys for the insurance companies in the Atlanta case, and Thomas C. McConnell, attorney for the brokers.

U. & O. Field Should Be Kept Open

(CONTINUED FROM PAGE 1)

interruption insurance, there are many eligible risks yet to be insured. "So long as they remain uninsured, there exists a serious indictment against the insurance fraternity in its failure to educate or make known to the insuring public the necessity of business interruption insurance being included among their essential items of insurance protection," Mr. Beazley emphasized. "Without proper counsel, the average insured is inclined to view his insurance needs on a basis of possible loss frequency, overlooking entirely the importance of insuring the very reason for his entering business in the first place. Business interruption insurance not only safeguards his operating capital, but will do for the insured what his business had been doing before a loss occurred. To develop a sound insurance program for any business, you must first recommend all forms of indemnity against catastrophe loss, regardless of how remote the origin may be. The remoteness of origin is reflected in the rate."

Variation in Opinions

There is a decided variation in opinions on the problems of underwriting business interruption insurance under war restrictions, Mr. Beazley pointed out. "Some contend that all business must be underwritten on the basis of total loss, while others are proceeding to increase their company retention where the risk represents an essential war industry. In following the latter procedure, the underwriters must first determine if the business is essential to the war; if so, what priority could be normally expected. The rapid changes of priority classifications make it impractical to place too much reliance upon that factor. A risk considered today might afford the highest priority available. Three months from now that priority may have been reduced, or in some instances eliminated entirely. There is also the probability that a plant having a preferred priority as an operating plant could not obtain the necessary priority for rebuilding or replacement of vital machinery in the event of serious damage or total destruction." As a result, each commitment should be thoroughly analyzed.

NEW YORK

MUTUALS DODGE SOME U. & O.

Some of the mutuals writing large property lines are passing up the use and occupancy. Stock agents receive urgent calls from important assured wanting U&O protection. Naturally the mutuals have the cream of the business and the stock companies are not anxious at all to help out on the use and occupancy. Therefore, for the most part they are turning down all

such offerings. The property insurance is regarded as the most desirable. The U&O takes a lower rate and while it is acceptable companies naturally want the property line to go with it.

LEE RICHARDSON'S CHANGE

Lee Richardson, who has been production manager of Davis, Dorland & Co., New York, has joined Lethbridge, Owens & Phillips, the New York brokerage house, as vice-president. He has been in the business since 1910, starting with R. A. Corroon & Co. and having been with Davis, Dorland & Co. since 1913.

WDC COVERAGE DISCUSSED

The "Protective Bulletin" of the American Bankers Association refers to a problem before banks and other mortgagees concerning War Damage Corporation protection on mortgaged real and tangible personal property, the ownership of which is transferred without knowledge of, or notice to, the mortgagees. The bulletin says in this connection:

"In this situation the mortgagees are confronted with a negative decision by WDC with respect to continuing the mortgagees' interests as loss payees in

policies after the ownership of the named insured in the properties has terminated. We have endeavored to secure a modification so that mortgagees would receive notice from fiduciary agents of War Damage Corporation when changes in ownership come to their attention. This proposal also contemplates protection of mortgagees in the event of a change in ownership until a reasonable time after notice of the change is received by the mortgagee from either the fiduciary agent or any other source. The problem is still under consideration by War Damage Corporation and it is hoped that a satisfactory solution will be announced in the near future."

FAIRLEIGH IS TREASURER

George D. Fairleigh, assistant secretary of the National Association of Insurance Agents at its head office in New York City, has also been elected treasurer. George W. Scott, director of the educational division, has been treasurer but he now finds it necessary to give all his time to his department.

Carl B. Rogers, associate member of the firm of the Critchell-Miller agency, Chicago, is bereaved by the death of his wife due to a heart attack.

FOR FIRE AND CASUALTY MEN ONLY!



Right In Der Fuehrer's Face!

→ Automobile registrations for 1943 are as much as two-thirds under 1942 in some localities! All of which means that you fire and casualty men who depend upon a substantial volume of automobile business are face to face with a real crisis. Who's fault? Well, you have our permission to toss it "right in Der Fuehrer's face!"

→ But—more important—what are you doing about it? How are you going to replace that income? The answer is—go after life insurance! You have dozens of excellent prospects right in your files. → We want a limited number of fire and casualty men in the New England States, New York, New Jersey, Maryland, Delaware, District of Columbia, Virginia, Pennsylvania, Ohio, Illinois, Michigan and Missouri who want to replace their lost income. → We'll show you how to get that life business from your fire and casualty clients—and we'll help you do it. We're one of the oldest life companies—now in our 95th year. Drop us a line and request details. Address your inquiry to Rolland E. Irish, president.

UNION MUTUAL LIFE INSURANCE COMPANY

Portland MAINE Home Office



CHICAGO

EXAMINERS INSPECTION MARCH 18

The Association of Fire Insurance Examiners will hold its annual plant inspection tour at the Chicago fire department shops, 31st and Sacramento, March 18. Harold Smith of National Inspection is making arrangements for the tour.

DISCUSS TAX REIMBURSEMENT

The Surplus Line Brokers Association of Illinois has taken up the question of proposing that they be reimbursed directly by Lloyds for taxes on surplus line business which they advance to the state. At present the brokers are reimbursed by the law firm of Lord, Bissell & Kadyk of Chicago, Illinois attorney in fact for Lloyds, after an audit has been made. As a result it is frequently a year or more after having advanced the taxes, before the brokers are reimbursed.

DRAKE HITS COLD WAVE

Lyman M. Drake, Sr., of the Critchell-Miller Agency, Chicago, has returned to his office after six weeks spent at Winter Park, Fla. He got home just in time to catch the zero cold wave.

WIN DIRECTED VERDICT

After the trial had been under way about a week, Circuit Judge Trude in Chicago directed the jury to bring in a verdict for the companies in the action brought by George Rendas charging malicious prosecution against Bankers & Shippers, Caledonian-American, First American, Providence-Washington and Millers National. Rendas brought the suit against the companies because he could not get service on the National Board. Rendas, George Bezas, John Prevanis and one Stamas were indicted, tried and convicted of arson in connection with a restaurant fire that occurred in 1933. Mick Giannakakis was indicted but acquitted. The Illinois supreme court reversed the conviction among other grounds on the theory that Bezas and Prevanis who appeared as state's witnesses could not be believed. Rendas subsequently brought action against the insurance companies.

ROCKWOOD CO. PARTIES

Offices of the Rockwood Company, Chicago agency, were closed the afternoon of Washington's birthday, and the girls were guests of the firm at a luncheon after which they attended the operetta, "The Student Prince."

Producers and management held a dinner party as guests of the firm later in the week under supervision of Harold W. Lorenz, president of the Producers Club. After dinner, the picture, "Battle for Midway," was presented through the courtesy of the navy.

G. W. BLOSSOM, Jr., head of Fred S. James & Co., is a member of the individual gift division for the American Red Cross war fund campaign in Chicago during March.

The Women's Insurance Association of Fort Dodge, Ia., will conduct the educational program sponsored by the Iowa Association of Insurance Agents. The first class, on fire insurance, started March 1.

EXCEPTIONAL POSITIONS

CASUALTY MANAGER, 40-45, to manage the Casualty Department of a large mid-west agency. Must be experienced in large lines and fleet coverages, and well known to companies. Prefer agency training. Salary \$5000 to \$7500.

ASSOCIATE MANAGER, Marine Department. Over 38, and familiar with all inland marine coverages, to supervise the underwriting and call on large buyers. Salary \$4000 to \$5000.

BURGLARY & PLATE GLASS UNDERWRITER, draft-exempt and thoroughly familiar with this line. Salary \$2400.

FERGASON PERSONNEL

Insurance Personnel Specialists

166 W. Jackson

HARRISON 9040

Chicago, Illinois

Reed Tells Problems of Adjusters in Wartime

(CONTINUED FROM PAGE 3)

such as Italian vermouth and French cheese, for example which if destroyed, cannot be replaced, or can only be replaced by buying it from a competitor. Mr. Reed said that he felt such merchandise should be valued at the amount the owner would have received had he sold it. Some adjusters and underwriters believe otherwise, and think it should be valued at what the owner paid for it. Mr. Reed said he felt the owner in that case is entitled to market value in case of loss because his prices fix market value.

Confusion of the times has been responsible for an unusual number of errors in even the best accounting departments.

The inherent explosion cover which is sometimes given without additional cost in connection with fire cover of certain plants is something of a Gremlin that gets you into trouble, he said. To avoid trouble, he urged that all covers be kept in the same group of companies. "Beware of buying fire coverage in one company with the inherent explosion clause, and taking out in another a general explosion cover designed to take care of explosions from an adjoining risk or from the act of a saboteur," he stated. He adjusted a loss where one group of companies had the fire cover with inherent explosion clause and another group the general cover. A gas well got out of control and gas leaking through the porous soil filled the basement of the building with a mixture of gas and air. Building air conditioning mechanical equipment was located in the basement where there were also lockers in which service men hung their overalls. Sparks from the motor commutator or circuit breaker, a hot bearing, or perhaps burning tobacco in a pipe left in the pocket of a suit of overalls touched off an explosion which shattered the building.

After the disaster, charred pieces of plank were found in the basement. Companies carrying the inherent explosion cover contended that the entrance of gas from outside was the cause of the explosion. The other companies contended that the motor and circuit breaker were inherent hazards, also that there was some justification for assuming that fire had started first and set off the explosion. As a result, there was a protracted adjustment, ending in a full payment to the insured but an arbitration between the companies.

Keesling Reelected Head of California Federation

SAN FRANCISCO — Francis V. Keesling, president West Coast Life, was reelected president of the California Insurance Federation at the annual meeting. He has been president since organization a year ago.

Vice-presidents who have served for the last year were reelected: C. R. Page, Fireman's Fund; F. N. Belgrano, Pacific National Fire, and C. A. Craft, Phoenix Assurance, representing fire and marine insurance; Joy Lichtenstein, Hartford Accident; L. W. Cutler, Fi-

delity & Deposit; and M. R. Johnson, Pacific Indemnity; representing casualty insurance and surety; Asa V. Call, Pacific Mutual; A. S. Holman, Travelers, and Dwight L. Clarke, Occidental Life, representing life insurance; Stuart O'Melveny, Title Insurance & Trust Co., representing title insurance; Grover Mahon, representing county mutual fire companies; M. V. Pew, Farmers Auto Inter-Insurance Exchange, representing reciprocal insurance; J. Waddington, secretary Board of Marine Underwriters.

E. W. McGarry, general agent National Casualty, Los Angeles, was elected vice-president representing disability. F. J. Agnew and Reginald Moss were reelected assistant secretaries. J. R. McKee, California Casualty Indemnity Exchange, who was elected secretary-treasurer in December succeeding Kenneth Brown of Fireman's Fund, was returned to office.

Joy Lichtenstein, vice-president Hartford companies, was nominating chairman.

Would Extend Filing in Mass.

BOSTON — Commissioner Harrington offered a bill for consideration of the insurance committee of the Massachusetts legislature asking for the right

Factory Mutual Losses in 1942 Totaled \$3,595,000

Losses of the factory mutual companies in 1942 amounted to \$3,595,000 which were less than for 1941 and the average of the previous five years. This was equivalent to a ratio of 2.6 cents per \$100 of insurance compared to 3.2 cents in 1941 and an average of 3.4 cents for the five preceding years. The net fire loss was \$2,458,000 or 13 percent less than the preceding year. The largest loss was just about \$100,000. U.&O. losses numbered 301 and totaled \$387,000, the largest being for \$15,000 following wet down of a generator during a fire.

Explosions numbered 119 with a net loss of \$280,000, the largest being \$50,000, lightning losses totaled 117 for \$58,000. There were 378 sprinkler leakage losses amounting to \$205,000 and there were 411 wind losses totaling \$187,000. There were 36 losses for \$6,000 caused by impact of vehicles.

Insurance in force increased 20 percent.

to extend for not more than 60 days after March 1 the time of filing of annual statement in Massachusetts. There was no opposition to the measure.



U.S. Navy Official Photo

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EDITORIAL COMMENT

Working Too Near the Edge

That was a tragic ending for Thomas A. Sharp of the well known Hayes, Sharp & Haggerty agency at Rochester, N. Y., when he was sentenced to state prison for from three to six years on a charge of second degree forgery and first degree larceny. The evidence showed that he defrauded the Premium Discount Corporation, the total amount being placed at \$227,000. Mr. Sharp was a prominent local agent in his city, he served as president of the New York State Association of Local Agents and was national councillor for some time.

Let all learn a lesson from Mr. Sharp. Evidently the agency was going along in good shape. Members of the firm started the plan of financing bad paper. They were confronted with a large indebtedness to their companies. The lesson to be learned is that there should be two separate accounts, one for commissions and one for a trust fund for com-

panies. Agents that begin to dip into company funds to bolster their own shattered fortunes or meet deficits ultimately get into trouble. In days gone by Mr. Sharp would have looked with horror on converting company funds to his own or his agency use. There should be a sharp line of demarcation between these two funds.

Another feature of the Sharp experience is interesting in that while there are thousands and thousands of opportunities for wrongdoing in insurance because of the large amount of money passing through various hands, a case like that of Mr. Sharp becomes of national importance because it is so infrequent. Officials of companies, company employees, field men, local agents, association men, etc., have opportunities for embezzlement or wrong doing and yet taking the great aggregate there is very little of a dishonest nature found.

Winning Public Admiration

The message that was given by Charles H. Smith of Smith & Wheeler, western managers of Hartford Fire, before the mid-year meeting of the Minnesota Association of Insurance Agents is something that should be taken to heart and translated into positive action by every agent in the land. Mr. Smith is not one who makes idle speeches. When he has something to say publicly it has a purpose and is backed by the utmost conviction.

Mr. Smith is distressed by the fact that fire insurance with its magnificent record of public service, with its high principles, with its essential integrity, is so little appreciated by the public and is even subject to public ill will and animosity. He realizes that the industry itself possesses superb potentialities for overcoming such ill will and gaining public admiration, if only the manpower of the industry could be harnessed to attain that aim. In other words, if every local agent who has the welfare of the business at heart

would have the story of the institution at the tip of his tongue and would seek every day to win converts to the institution as well as being its commercial patrons, the public estimation of the business would be elevated in very short order.

The National Association of Insurance Agents is about to embark upon a large scale public relations project. Such a program it seems to us will be expensive and probably not effective unless it is buttressed by the efforts of the thousands of individuals throughout the country that are engaged in the business. This is a time when every insurance man should decide to constitute himself as a missionary for the entire business if for no other reason than for his own future security. One very effective way to put such a decision into action is to get a supply of the recent release "Public misinformation about capital stock company fire insurance" which was prepared by the National Board.

Giving Words a New Slant

Harold R. Gordon, executive secretary of the Health & Accident Underwriters Conference, in a talk made some observations on an essay written by Stuart Chase, economist and writer, who emphasized the value of a closer study of semantics. Mr. Chase opined that the great majority of readers formed their opinions oftentimes from

words that propagandists use. Politicians and bureaucrats are masters in the choice of words that will charm the savage breast and win friends.

Mr. Gordon gave it as his opinion that insurance should change some of its nomenclature and offset the influence of those that are endeavoring to lure the public away from the main

path. For instance, he suggested that we do not refer to what we term private insurance as such but call it voluntary insurance in its contradistinction to government insurance. Then he said that when the word government insurance was used the term "government compulsory insurance" should be adopted. Government insurance benefits with compulsory aspects and giving benefits should be referred to as doles. In this way a graphic word or phrase is placed before the public. Insurance might well change some trade terms.

PERSONAL SIDE OF THE BUSINESS

DEATHS

President Breen of Standard, N. J., Dies

Frank J. Breen, president of Standard Fire of New Jersey, was found dead in his room at the Stacy-Trent hotel in Trenton Friday afternoon. Mrs. Breen was in Toledo to see the Breen's new grandchild, whose mother is Mrs. June May. Mr. Breen had dinner with his



FRANK J. BREEN

son, F. Glenn Breen, who had just been elected vice-president of Standard Fire, and then decided to stay at the hotel. When he did not come out the next day, the hotel management removed the door. Mr. Breen was 57 years of age.

Mr. Breen was a Western Union messenger boy in Chicago and the manager of the O. C. Kemp general agency became impressed with his aptitude and gave him a job. Later he went with North British & Mercantile and then with the old Chicago central office of Ohio Farmers. When the central office was closed he went to the home office at LeRoy, O. His next move was to Liberty Fire of St. Louis for which he traveled in the field, then he joined Standard Fire as field man with headquarters in Chicago about 1923. For a few months in 1926-27 he served as office manager of the Engelhard-Krogman agency of Chicago, and then returned to Standard Fire. He traveled throughout the middle western field. In 1936 he was taken into the head office as vice-president and was elected president in 1939.

Glenn Breen, a graduate of the Uni-

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THE NATIONAL UNDERWRITER

PUBLISHED
EVERY THURSDAY



Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2704.

EDITORIAL DEPT.: C. M. Cartwright, Editor. Levering Cartwright, Managing Editor. News BUSINESS DEPT.: John F. Wohlgemuth, President. H. J. Burridge, Vice-

Editorial Assistant. Dorothy B. Paul, Vice-President. J. T. Curtin and W. J. Smyth, Resident Managers.

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Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

20 cents. In combination with Life Insurance Edition, \$6.50 a year (Canada \$5.50). Single Copies 25 cents. Entered as Second-class Matter April 26, 1931, at Post Office at Chicago, Ill., Under Act, March 3, 1879.

Subscription Price \$4.50 a year (Canada \$5.50). Single Copies \$0.25. Entered as Second-class Matter April 26, 1931, at Post Office at Chicago, Ill., Under Act, March 3, 1879.

versity of Chicago, was with Firemen's several years in the Pennsylvania field. Since last July he has been superintendent of agents of Standard Fire and just a few days before his father's death he was elected vice-president.

Among those attending the funeral services in Chicago Tuesday were Lyman H. Saidt, treasurer; Joseph Shirman, assistant secretary; Charles P. Hall of Milwaukee, superintendent of agents, and Frank Doyle, New York City agent of Standard Fire.

Herbert Clark, president of the Western Insurance Bureau, appointed a committee officially to represent the W. I. B. at the funeral consisting of W. S. Whitford, Millers National; E. E. Soerke, Security of Iowa, and O. B. Brown, Firemen's.

John H. Stouthamer, 80, president of National Jewelers Mutual Fire of Neenah, Wis., died at his home in Milwaukee.

Bert Keene, vice-president of the Solomon Stoddard & Co. agency, Kansas City, and long an active and prominent member of the local agents' association, died there. Mr. Keene came to this country in 1919 from Denmark where he had served as an officer in the Danish army during the first world war.

E. L. Lewis, 60, general agent of Underwriters Salvage Company of New York, died. He was for many years head of the salvage firm of Woodrow & Lewis. This company was merged with Underwriters Salvage in 1929, Mr. Lewis becoming general agent of the latter but Woodrow & Lewis retained its identity and continued in business in collaboration with Underwriters Salvage.

Jay G. Carver, former well known Michigan field man, died Feb. 24 at Daytona Beach, Fla. The funeral was held Feb. 27. He had been ill for some time and several years ago he went to Daytona Beach to spend the rest of his days. For many years he was state agent of the Liverpool & London & Globe and retired about 20 years ago.

Mr. Carver served L. & L. & G. 23 years. He was born at Appleton, Wis., Feb. 3, 1868. In his early career he was connected with the Champion Horse Nail Company. Then he went with the At-

las Paper Company and subsequently established a local agency at Appleton. In 1889 he went with the First National Bank at Iron Mountain, Mich., and in 1891 became state agent of Liverpool. He resigned to give his attention to his private business.

On two different occasions he declined two office positions with Liverpool. He felt that his work would be more successful in the field. He was vice-president of the American Trust Company of Detroit for 12 years. He was vice-president of the Cooper-Wells & Co., St. Joseph, Mich., the Georgia Veneer & Package Co., and the Crystal Springs Manufacturing Company. He was a director of the Anderson-Kelly Company of Memphis, Tenn.

Joseph W. Russell, 68, who retired as vice-president of Aetna Fire last October, died in Mountainside Hospital, Montclair, N. J. He entered the insurance business in 1892 as a stenographer with Aetna in Hartford. In 1905 he was sent to Dallas as special agent for Texas and returned to the home office seven years later. He was sent to New York in 1914 to open an office there and a year later was made metropolitan agent. He established his own firm of Russell, Scott & Ziegler, which was dissolved in 1931. He was made vice-president of the Aetna group at that time.

Edward S. Foltz, Sr., 63, who headed the farm and loss department of American of Newark in the western department at Rockford, Ill., 35 years, died there. Mr. Foltz was a past president of the Western Loss Association, and was considered an outstanding authority on loss matters. He had been inactive for the past year or two. Harold S. Cutting, formerly his assistant, succeeded him as head of the loss department, and Theodore Weaver as head of the farm department.

Charles D. Gabrielson, active in Oregon insurance circles since 1885, died at Salem hospital, following a hip fracture sustained in a fall. At one time he was secretary of an Oregon company and later represented Royal for 35 years, retiring when he reached age 75.

James G. Cooper, 46, local agent and real estate dealer at Logansport, Ind., died there following a heart attack. Apparently suffering the attack while driving, his car struck three parked cars in the business district. He had long been active in Republican politics. A brother, Robert Y., was associated with him in the business and will continue it.

Herbert N. Peters, 66, a member of the Mizell, Peters & Co. agency, Waxahachie, Tex., died after a week's illness. He had been in the insurance business practically all his life.

Frank H. Clark, who was vice-president of the Alvin S. Keys agency of Springfield, Ill., died at Springfield Hospital. He had been connected with the agency since 1918.

W. H. Williams, 73, local agent at Shawnee, Okla., is dead. He had been in the insurance business 40 years.

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Man with 20 years production and underwriting experience, fire and casualty, desires connection as agency superintendent or branch manager. Might be interested in managerial or partnership arrangement in local or general agency. Address replies to R-42, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

POSITION WANTED
39 years of age, married family man; 10 years experience casualty and fire as fieldman for large direct writing company, now employed. Excellent references and production record. Desires connection as fieldman, special agent or interested in buying good general agency. Replies confidential. Address R-43, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

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The NATIONAL UNDERWRITER

March 4, 1943

CASUALTY AND SURETY SECTION

Page Twenty-one

Censor Issues Rules on Exporting Insurance Data

New Regulations Pertain to Both Marine and Non-Marine Fields

The office of censorship has ruled that no marine insurance information may be sent out of the country if it identifies a vessel, its cargo, or the time or place of loading, discharge, or call. The instructions, which are in line with the Justice Department's orders to curtail transmission of confidential insurance information abroad, also cover information on non-marine risks which might be of value to the enemy.

On marine risks insured for a specified period of time no information may be transmitted abroad except that actually necessary and subject to the censor's approval. For insurance on a voyage basis, a system of identification of vessels, the zoning of routes and general cargo classifications may be used if approved by the censor. Provision is also made for forwarding details omitted from previous communications after enough time has elapsed to insure safety of the ship and its cargo.

Cites Examples of BICO

The British Insurance Communications Office, set up to handle all communications between this country and non-admitted British underwriters, was cited by the censorship office as an accepted method of transmission.

The censor has classified information regarding marine and non-marine insurance as prohibited or permitted, prohibited matter including any communication bearing on war projects or the war effort, whether under government or private control, such as docks, dams, warehouses, structures, equipment or any other facilities "necessary or useful toward effective defense of the United States or effective prosecution of the war by the United Nations."

Special permission must be obtained from the censor before any prohibited matter can be transmitted abroad.

The office of the chief postal censor has provided four service sections in addition to the one in the Apex building, Washington.

Non-Marine Field

In the non-marine field classification schemes to assist foreign underwriters to rate the risks submitted, must get the approval of the office of censorship and such schemes will be limited to identifying names or numbers to be substituted in communications for general descriptions of risks to be covered.

Particulars as to type of coverage required may be sent out. Also the amount and period for which coverage is required, including a statement as to whether the insurance is direct, reinsurance, retrocession, excess, stop loss, etc.; also loss ratio subject to express approval by the censorship only when nec-

(CONTINUED ON PAGE 35)

Asks U. S. Air Insurance Fund

Congressman Lea Wants Program Modeled After Marine Insurance Acts

Congressman Lea of California has introduced a bill amending the civil aeronautics act of 1938 to provide for air and war risk insurance and reinsurance.

Under the bill the civil aeronautics board would be authorized to provide insurance covering war risks for citizen air carriers or citizen contract carriers by air where such insurance cannot be obtained on reasonable terms from private insurers or where advisable for military reasons. The board would also be authorized to reinsure any U. S. company on account of any air risk whether or not arising from war.

Lea explained that the bill is modeled upon the marine insurance acts of 1940 and 1942. Lea stated that the air carriers are facing insurance problems comparable to those faced by the merchant marine. He said the committee on interstate and foreign commerce has been giving serious thought to the whole problem of aviation insurance. Much of the reinsurance, he declared, has always been handled in foreign markets and there is a question whether that situation is consistent with the best national interests of this country. He observed that in a bill recently reported by the committee on interstate and foreign commerce provision is made for conferring on the civil aeronautics board powers of investigation regarding the aviation insurance market.

Approves Plan for Group Insurance on Shipyard Employees

To encourage all shipyards to participate in group life programs for their workers, the Maritime Commission has announced it is prepared to approve a plan of group insurance for shipyard employees.

This plan, to be known as the Maritime Commission standard plan of contributory group insurance, will be applicable to all shipyards working 100 percent of Maritime Commission contracts. Under it, workers earning less than \$1.25 an hour may obtain life insurance coverage of \$1,000 and those earning in excess of \$1.25 per hour may obtain coverage of \$2,000, as well as health and accident benefits.

The commission's division of insurance has notified shipyards operating 100 percent on Maritime Commission contracts that the commission is now prepared to approve the standard plan in which half of the employer's cost and a proper administration expense are made reimbursable items.

The expansion of the U. S. shipbuilding program has in many instances caused the transfer of key men from their parent companies to shipyards, thus causing them to risk losing their group life insurance, the commission points out. Many of the newly established yards do not have a program for such insurance, although contributory insurance has been in effect with most of the large employers for many years.

Traffic Death Improvement Rate Levels Off

Traffic fatalities in January totaled 1,730 or 45 percent below the record for the same month a year ago, according to the National Safety Council.

The Safety Council observes that the rate of decline in January was no greater than that of December, November and October and the council infers that the full extent of the automatic saving in life resulting from wartime restrictions on speed and mileage have now been fully realized. Any further rate of improvement must be earned the hard way, the council states.

In certain dimout and war production areas the traffic toll has shot up. In New York City traffic deaths increased from 79 in January of 1942 to 100 this year. The council has sent a traffic engineer to New York to study the situation and help find a remedy.

CENSUS BUREAU ANALYSIS

The Bureau of Census has published its summary of motor vehicle accident fatalities in the second quarter of 1942. The death rate was 17.7 per 100,000 population, a decrease of 14.5 percent in the rate from the first quarter of 1942 and 27 percent lower than for the corresponding period of 1941. For the first six months of 1942 the rate was 19.7 per 100,000, compared with 25 percent in the first half of 1941. Of the second quarter fatalities 36.8 percent were pedestrians, 30.1 percent drivers and 33.1 percent passengers. This was a decrease in pedestrian deaths compared with the first quarter of 1942 and an increase over the second quarter of 1941.

In the second quarter, 59.8 percent of fatalities occurred at night, 40.2 during the day. In the first quarter, four fatalities occurred during blackouts, in the second quarter, eight. Deaths from collision outnumbered non-collision fatalities by 4.6 to 1. In the first quarter the ratio was 8 to 1.

Liability Policy for Banks Under Ration Banking

Coincidentally with the advent of ration banking plan Indemnity of North America has brought out a policy to protect banks against liability to coupon depositors arising from the banking services rendered. The company declares that mishandling or loss of coupons is a possible source of legal liability.

The insuring agreement reads: "To pay on behalf of the insured all sums which the insured shall become obligated to pay to any customer because of the insured's legal liability for damages sustained by any customer through the operation by the insured of a service known as 'The ration banking plan of the Office of Price Administration.'

County Employee Bill Advanced

DES MOINES—The Iowa senate has passed a bill which would allow county boards to purchase and pay for liability and property damage insurance on the personal liability of county employees while in the performance of their duties in operating an automobile, truck, road grader, machinery, or other vehicle.

Canada's Transit Pool Cover Arouses Interest Here

Special Policy Protects Owner Against Claims of Ride Sharers

The new wartime transit insurance pool that has been set up in Canada to issue a new type of statutory policy covering the liability of drivers and owners of share the ride cars to their passengers is attracting much interest in the United States because there have been whispers that some similar plan of guest coverage may be worked out in this country.

The Canadian pool comprises 99 insurers. The new policy, issued in B. I. limits of \$100,000/200,000 and P.D. limits of \$1,000, must be purchased by every car owner whose vehicle is registered under the industrial transit plan. The premium is \$1 a month. The insurer issues its own individual policy. The transit officer at each plant, who arranges for participation in ride sharing plans, sees that gasoline is made available, keeps a record of the cars and the individuals, will make monthly reports and remittances to the insurance company and the latter in turn will report monthly to the pool. The transit officer will collect the premium from the individual. The policy will be issued to the plant which will hold the contract as trustee for the individual.

The liability under the contract is absolute and the insurer, theoretically at least, may seek reimbursement from the individual if it is called upon to pay a claim that is beyond the terms of the contract.

This special policy does not include any ordinary road hazard liability. It is solely for the protection of the owner against claims of passengers for personal injuries or damage to property which they may have with them in the car. It is a contract of liability and not one to provide medical reimbursement.

The ordinary road hazard policy in Canada excludes any liability to passengers but that exclusion may be removed by the payment of an extra premium. However, a road hazard policy with the passenger exclusion removed would not qualify under the new plan. Every owner must have the special statutory policy.

The pool will also issue a special non-ownership contingent liability policy for the protection of the industrial plant. The plant is not compelled to buy this policy, however. If it is purchased it must be written by a company that is a member of the pool. It is a regular non-ownership policy with a statutory endorsement restricting liability to cases arising from operation of the transit control plan. The premium for B. I. limits of \$5,000/10,000 is 70 cents a car per year and for P.D. it is 10 cents. If B.I. limits of \$100,000/200,000 are desired the B.I. premium is \$1 a year.

The agent receives 10 percent commis-

(CONTINUED ON PAGE 35)

Accident & Cas. Sets Up Mid-West Department

Accident & Casualty has established a mid-western department in Chicago in the Insurance Exchange building. The office is headed by Hugh T. Millard, Chicago branch manager for the company, who will be in charge of the mid-west division. Eugene F. Griswold, formerly Minneapolis service office manager supervising Minnesota and Wisconsin, has been named assistant western manager and will have his headquarters in the Chicago office. Thomas M. Burns is superintendent of claims and T. H. Griffith is in charge of underwriting.

Concentration of facilities in a mid-west department in Chicago will enable the company to give better service to local agents in the middle west. The department now has full underwriting powers. It has supervision over Illinois, Indiana, eastern Iowa, Wisconsin, Minnesota, Missouri, Kansas and Oklahoma. The Chicago branch formerly had only the first three of these territories.

Executives in the mid-west department all have been with the company since 1937 when it began its intensive development in the U. S. Mr. Millard, who entered the business with Aetna Casualty more than 20 years ago, has been manager of the Chicago branch since 1938. Mr. Griswold has been a local agent and field man in the northwest since 1922. Mr. Burns started in the business 15 years ago with U. S. F. & G., and Mr. Griffith has had 15 years experience, starting with Continental Casualty.

Daenzer Midwest Special Agent of Connecticut Ind.

B. J. Daenzer, who has been for the past six years with Commercial and Metropolitan Casualty of the Firemen's of Newark group in the New York branch office, has been appointed special agent in the midwest field for Connecticut Indemnity.

He will assist field men in the development of casualty business in the central west area, under J. J. Hubbel, resident secretary. Mr. Daenzer had both underwriting and special agency experience in the suburban field in New York, and did both fire and casualty business. He is a member of the New York bar and a graduate of Fordham University.

Three-Year Plan Popular for Personal Liability

Agents who are pushing the sale of the new comprehensive personal liability policy find that they are getting excellent results. Many agents are systematically getting in touch with all customers who have been carrying the old fashioned coverage and causing them to convert to the broader form. Usually an effort is made to get the assured to take a three year policy and purchase medical payments coverage if he has not been carrying that and property damage liability. One company has found that the premium per policy under the new form is just about double that of the old contract, due principally to the fact that the business is being written so extensively on a three year basis.

W. K. Faust to Chicago Post

W. K. Faust, superintendent of the Albany office of Indemnity Co. of North America, has been transferred to the Chicago service office. He will be succeeded at Albany by William H. Kennedy, now associated with the Newark claim division.

Ask your company for the **Argus Chart**—both fire and casualty. Each gives the most information available.

Lawyer Outlines Features of Owners Protective Bond

NEW YORK—The provision in the owner's protective bond which obligates the surety to pay the excess cost of completion fixed by taking bids from three responsible contractors, one chosen by the architect, one by the surety and one by the owner is something new in the surety business, Samuel Gottesman, of Fertig, Walter & Gottesman, attorneys, told members of the Surety Company Claim Men's Forum. The purpose is to provide the owner with the additional funds needed to complete the work soon after the contractor's default, thereby doing away with the former procedure whereby, if the surety did not take over and complete the contract, the owner was obliged to do so himself and then sue for his damages, he said.

The owner's protective bond, known as A.I.A. form B-1, copyrighted in 1940 by the Surety Association of America, is printed and sold by the American Institute of Architects under license of the Surety Association. So far as he has been able to learn, Mr. Gottesman said there are no court decisions construing the bond, undoubtedly due to its recent origin and to the curtailment of private building operations because of the war.

Because of this principle, the surety is not concerned with the owner's actual cost in completing the defaulted contract, even if it is reasonable, but its obligation is to pay only that sum fixed by the bids of the three responsible contractors chosen as provided in the bond, thereby discharging its obligation to the owner.

Differences Are Cited

Mr. Gottesman pointed out differences between the owner's protective bond and the usual contract bond. If the contract is not on the A.I.A. bond form, he said that bond language does not obligate the surety to take over and assume completion of the contract within 15 days of determination of the default until the contractor's default has been determined by arbitration. Since determination by arbitration that the principal is in default is provided and since the bond provides that it is executed upon the condition that all disputes, claims or questions arising under the contract are subject to arbitration, the owner must procure an adjudication by arbitrators of the principal's default as a condition precedent to his right to call upon the surety to perform under its bond.

Under the A.I.A. form, the architect is the interpreter of the contract conditions and the judge of its performance. It provides that the architect's decisions in matters pertaining to artistic effect shall be final if within the contract document terms. If the architect declares the contractor is in default, Mr. Gottesman said that constituted "determination" and the architect's decision must be arbitrated only if the contractor demands such arbitration, in accordance with the procedure set forth. If the contractor does not demand arbitration within the specified time limit, then a "determination" is in effect and the surety must respond. The owner, therefore, need not procure a determination by arbitration if the contractor is in default.

The surety, in the case of the A.I.A. contract, is not put in the position, therefore, of having the owner or his agent (the architect) make conclusive decisions with regard to the contractor's performance. The arbitration agreement in article 40 of the contract provides that it "shall be specifically enforceable under the prevailing arbitration law" and fixes the procedure. The owner is in a position to compel the contractor to arbitrate in accordance with the "standard form of arbitration procedure of the American Institute of Architects," and the arbitration could proceed even without the presence of the contractor after the specified time elapsed without the contractor designating his arbitrator.

It would appear that the bond permits

more than three bids to be taken, since the only requirement is that there should be at least three. Also, that after the bids are taken, the owner and surety are to determine the cost of completion, presumably by taking the average between the high and low bid, since otherwise the provision for taking bids in that manner would be meaningless.

Discussing the rights and obligations under the owner's protective bond as between the surety and labor and material claimants, there seems to be no restriction or limitation upon the right of action afforded a labor or material creditor, no limit to the number of actions that can be instituted, no limit to the different courts in any one state in which such actions can be brought, and even no limit to the number of states in which such actions can be brought, Mr. Gottesman stated. He contrasted this with the old Heard act and Miller act governing bonds on government construction contracts. Such action, however, would have been instituted within two years from the date "on which final payment under the contract falls due," as provided.

It would seem that the two year statute of limitations in the bond would not be operative in case the contractor failed to complete, so that he would not be entitled to final payment. Courts have held that such a short statute presupposes completion, so that where there is no completion, there is no short statute.

Leon Kirschenbaum of New Amsterdam Casualty will be in charge of the March 10 meeting.

Group Life Premiums Studied by Service Insurance Offices

There is considerable speculation as to the attitude of the government, particularly the war and navy departments, toward group life, accident and health and hospitalization contracts carried by industries doing war work. Under cost-plus-a-fixed-fee contracts, expenditures for insurance are supervised by the government and very detailed rules have been laid down for casualty insurance.

It is not believed that there is any hostility toward group life and similar insurance in the army and navy insurance offices, but observers would not be surprised if premiums were checked closely and some restrictions put in force on commissions.

Refuse to Compromise Case

BUFFALO—An offer by Continental Casualty to settle for \$50,000 a \$100,000 lawsuit brought by Erie county as a result of the theft of \$176,550 worth of federal food stamps in January, 1942, was rejected by the board of supervisors.

The county sued for \$100,000 insurance on the stamps, which were stolen from the county office building. The company refused to pay on the ground the county failed to comply with its terms. Trial of the suit is expected to begin soon.

Equity Rate Ruling in Ill.

Insurance Director Jones of Illinois has ruled that individual risk and equity rate credit and other special rating plans may not be applied to any automobile risk which does not qualify as a fleet policy. Mr. Jones said he is informed that a number of risks of less than five units, which do not constitute fleet policies within the meaning of the code, have been given individual risk or equity credit in rate. This practice, he said, is "unjust, unreasonable, discriminatory or preferential."

Burglary Lines Offer Agents Big Opportunity Now

KANSAS CITY—The panel discussion of burglary insurance at the meeting of the Casualty & Surety Underwriters Association here dealt with three questions: Do present day conditions warrant development of burglary lines? Is the agent neglecting properly to service his clients? What is new in the burglary field?

F. A. Brinkman, manager of National Surety, and Reno Garr of the Thomas McGee & Sons agency participated. Mr. Brinkman pointed out that agents nowadays regard burglary insurance as one of the best lines for replacing lost automobile insurance volume.

Police protection is not as good as a year ago, he said, because police department personnel has been hit by the draft and war industries just as other businesses have. Certain types of crime such as burglary are likely to increase a great deal.

Mr. Brinkman suggested that many agents carry only one or two of the lines of a customer. Perhaps they have the liability line, and this is a nice account, but why not get the burglary business? The agent's best clients are those already on his books. Certainly it would pay to learn if present clients need some form of burglary coverage. If he already has it, there may be some way to improve his coverage and bring the account closer.

\$5,000 Premiums in Week

Recently an agent in a city of 75,000 population conducted a week's campaign on burglary coverage, Mr. Brinkman said. He selected 200 prospects, most of them being clients for whom he carried some form of coverage. Newspaper advertising was tied in with the direct mail campaign. The results were more than \$5,000 in premiums on 36 new risks. This, Mr. Brinkman declared, was a pretty good week's work.

Most agents are more or less familiar with standard policies such as mercantile safes, interior robbery, messenger, residence, storekeeper's, etc. Among the new items which the agent should know about and which he may well use to bring his client's burglary coverage up to date are premises all risk, messenger all risk, securities deposited with public officials, money and securities destruction policy, accounts receivable and valuable papers.

May Delay Naming N. Y. Superintendent

ALBANY, N. Y.—While Assemblyman Russell Wright's name continues to lead the rumor list of possible appointees to the position of insurance superintendent of New York, the current report in Albany is that Governor Dewey will make no appointment to any of the dozen or so important state administrative jobs that are still open until he sees how the legislature lines up on his reapportionment bill. This measure is very close to the governor's heart and it would be good strategy for him to use these key jobs as rewards to legislators who wield effective influence in the bill's behalf.

E. Rochester Agent Must Pay

Supreme Court Justice Love at Rochester, N. Y., gave a default judgment for \$1,525 to U.S.F.&G. against Louis R. DeRitter, local agent at East Rochester. U.S.F.&G. charged that DeRitter sold the city of East Rochester a liability policy covering volunteer firemen for a premium of \$1,849 and that through its Rochester agent, R. M. Clark, it demanded the premium less 17½ percent commission on Oct. 23, but that it was not paid over by DeRitter.

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Manufacturers Cas. Spreads Its Wings

Company Will Enter Many More States with Its Increased Prestige

W. Stanley Kite, who was elected president of the Manufacturers Casualty of Philadelphia the latter part of December, has been visiting the Chicago branch in charge of E. W. Morse as manager. He also went to St. Louis to visit the agents there. The company is licensed in 20 states but intends to expand its operations materially, entering a number of new states and organizing agency plants in all. It has not been decided just how the field will be operated but the management has decided to extend its wings in all directions.

The Manufacturers Casualty business has been built up largely on compensation and automobile. Automobile premiums naturally have shown a decline and hence it will push its other casualty lines making it an all-round agency company.

Given More Momentum

The company was given a tremendous boost when it was announced that 94,378 shares out of 100,000 shares of stock were acquired by the Commercial Credit of Baltimore. The transaction also involved control of the Manufacturers Fire, nearly all of whose stock is owned by the casualty company. The Commercial Credit backing gives it a great deal more power and prestige. The convention examination as of Dec. 31, 1941, showed its assets at \$10,424,353, capital \$1,000,000, surplus \$2,422,660, voluntary reserve \$750,000. The report was very favorable to the company.

President Kite is a well seasoned casualty executive and has had an all-round experience. When he assumed his present position he was vice-president in charge of the eastern department of the Ohio Casualty with headquarters in Philadelphia. He established the Philadelphia branch of the Hartford Accident serving as manager for 18 years. He has been much interested in the underwriters' organization of Philadelphia.

Arthur E. Benson, who became vice-president of the Manufacturers Casualty when Mr. Kite was chosen president, was secretary of the Fire Association and prior to that general counsel for Constitution Indemnity. Robert N. Rose, who had been a vice-president of the Manufacturers, is devoting almost all his attention to reinsurance. With the new management and greatly increased financial ballast it is anticipated that the Manufacturers Casualty will become a real factor in the casualty field. The company writes surety as well as casualty.

Share Ride Case to Ohio High Court

COLUMBUS—The Ohio supreme court has taken under advisement a share-the-ride case from the court of appeals at Cleveland. The question involved is whether persons riding with the car owner are guests and, therefore, barred from obtaining damages unless gross carelessness is shown. One common pleas court in northern Ohio held that the passengers are guests if they bear one-third of the actual cost of the oil and gasoline, when three make the trip. Another court held that the riders are guests if the three participants drive their cars on successive weeks. The court of appeals held that the guest statute does not apply and that the driver is responsible. The case is being watched with much interest.

Confer on Plans for Transportation of Employees

Approximately 500 officials of vital industrial plants in New York, New Jersey and Connecticut attended the wartime conference on employee transportation held in New York under the auspices of the Office of Defense Transportation and co-sponsored by the National Association of Manufacturers and the National Conservation Bureau, accident prevention division of the Association of Casualty & Surety Executives.

The conference was held to inform plant transportation managers, personnel directors, and other executives of various means of combating the increasingly serious employee transportation shortage which threatens vital war and civilian production and is already causing considerable absenteeism and lateness. Among the procedures recommended were share riding, improved efficiency of public transit facilities and elimination of non-essential public transit services, use of school buses for worker transportation, tire and vehicle conservation, staggering of hours, eliminating traffic bottlenecks and unnecessary stop signals, and establishing best routes to the plant.

Harold F. Hammond, director of the traffic and transportation division of the National Conservation Bureau, directed one of the panels. Harold P. Jackson, president of the Bankers' Indemnity and a member of the advisory committee of the National Conservation Bureau, was chairman of one of the sessions.

Allow Increased M. & S. Limits

NEW YORK—Fiduciary agents of War Damage Corporation Money & Securities group have been authorized to grant increased limits of coverage up to \$5,000,000 money and \$25,000,000 securities, with respect to coverages A, B, C and D without reference to WDC.

A new endorsement is now available, WDC form No. 17, which provides for changes in coverage under the M. & S. policy. It is now permissible, upon payment of additional premiums,

Honor W. C. Potter on 82nd Birthday



NEW YORK—Chairman W. C. Potter of Preferred Accident and Protective Indemnity is shown above at his desk on the occasion of his 82nd birthday with four of his associates, Clyde E. Dalrymple, general agent at Milwaukee; Arthur C. Bohem, treasurer; Frank Schaar, secretary, and H. W. Jamison, manager mid-eastern department. With President E. M. Ackerman the four honored Mr. Potter at a luncheon.

Mr. Potter was born in Alexandria, Va., and educated at St. John's Military

W. D. C. Coverage on Money and Securities Reviewed

The American Bankers Association "Protective Bulletin" discusses bombing insurance covering money and securities issued by the War Damage Corporation. It states that bankers are puzzled and seek enlightenment as to the importance and value of such protection. The WDC's registered mail and express insurances cover shipments of money and securities over which the assured relinquishes control once they are placed in the custody of postal authorities. The latest bombing policy, however, contemplates hazards on money and securities while such property is in the control or custody of the assured or its agents.

The "Protective Bulletin" states that even among bankers in the coastal cities or so-called exposed or target areas there is a divergence of opinion on this latest type of insurance against war damage. A few banks, it says, have purchased all the four forms, A, B, C and D while others have selected A and D, C and D and some only D.

Attitude of N. Y. City Bankers

The bankers association interviewed the larger commercial banks and trust companies and mutual savings banks in New York City. Of the 15 larger commercial banks and trust companies, two reported having purchased transit coverage D only and six others bought premises coverage A, B or C or all three of them in addition to coverage D. Four banks were undecided as to purchasing

consent of WDC, to reduce the amount of insurance under any coverage or to eliminate premises, safe deposit boxes or custodians designated for coverages under the policy if the insured ceases to hold money or securities at locations and in amounts specified in the application and under other certain reasonable conditions. Return premium is computed on a pro rata net premium basis and is remitted by the central office through the producer to the applicant. No fee or expense reimbursement is paid on additional premiums.

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any of this WDC coverage and three others decided not to carry this protection.

So far as the mutual savings banks were concerned it was found that four had purchased coverage D, plus premises coverage A, B or C, and two others limited their protection to coverages A and C. Banks which have taken more than one of the premises coverages rely on the fact that the amounts of coverages A, B and C are cumulative as to money and securities in preferred vaults. On the remote chance that the contents of their vaults suffered damage, the total amount of coverages A, B and C could be applied to such a loss, the bankers said.

The American Bankers Association said that reports indicate that in England more than 2,300 bank buildings were damaged by bombing from July 1, 1940 through June, 1941. The great majority suffered only minor damage. Several hundred premises were seriously damaged, including more than 130 buildings which were practically destroyed. More than a dozen vaults or strong rooms of banks in England were seriously damaged. In only one instance, the American Bankers Association says, was there any damage to money, securities or other valuables while within a bank vault in England.

The bulletin says that in view of the bombing experience of English banks the American banks which limit their protection to the preferred vault coverage A or take no coverage under the WDC policy also believe that if this country is bombed, the attack will most likely occur at night when the premises and vaults are safely locked. They also give weight to the fact that any selected military objectives, let alone banks, in this country are at least 30 times farther away from Axis bases than England's banks.

Considerations Involved

In the case of those banks which have decided not to carry any of this insurance or which remain undecided, the following considerations are involved, according to the bulletin:

1. Insurance is limited only to "damage to or destruction of" money and securities through enemy attack, etc., thereby circumscribing the coverage too narrowly. This also poses the question as to whether satisfactory proof of loss to secure indemnity from WDC would be equally difficult as to secure replacement by reissue of the securities damaged or destroyed.

2. The policy offers no insurance against loss of money or securities through pillage or looting by enemy forces.

3. The basis of valuation of the amount of any securities loss needs clarification as to whether replacement costs rather than market values will control adjustments when the total loss exceeds the amount of insurance carried.

The bulletin says that in a number of cases where banks purchased the WDC policy one factor in their decision apparently was the possibility of suits that might be threatened by stockholders or depositors based upon alleged negligence on part of officials in the event an uninsured loss occurred after suitable indemnity had been made available.

As to whether there would be any legal liability on depository or custodian banks for loss of customers' securities, the bulletin said it is difficult to foresee any court holding such liable for a loss resulting not from any negligence on the part of the bank but rather from war risks when the government itself failed to prevent the loss.

Favorable consideration was given a bill before the Massachusetts legislature's insurance committee on providing a penalty for the bringing of fake and fraudulent automobile liability claims.

ACCIDENT AND HEALTH

Am. Auto Issues Broad Traffic Accident Form

American Automobile has brought out a form of personal accident policy which has already been well received by agents and brokers. The policy pays a death benefit of \$1,000 and up to this amount for traffic accident injuries, with fixed benefits for specified dismemberments. In addition, it pays up to \$500 for medical, surgical, ambulance, hospital and professional nursing services.

There is coverage under the traffic accident policy if the injuries occur while the insured is in or upon, entering or alighting from, adjusting, cranking or repairing a private passenger automobile; a fare-paying passenger in or upon, entering or alighting from a public passenger conveyance; struck or run over by any vehicle (land, sea, or air).

The management observes that the policy is timely and specifically fashioned to today's wartime conditions. It is particularly suitable for those who formerly drove their own automobiles to work or used them for business purposes and now are walking, are members of a "share the ride club" or are using crowded buses, street cars and trains. The policy makes it possible for producers to keep on their books those clients with whom contact might otherwise be lost due to the dropping of insurance because of the sale or laying up of automobiles. Producers welcome this opportunity to help in maintaining premium income. Many insured have requested a policy for each member of the family.

Fuqua Leads Discussion

WASHINGTON, D. C.—At the February meeting of the Greater Washington Accident & Health Underwriters Association President Ivan Fuqua, Metropolitan Casualty, led a discussion of

Moriarty President of Two Olympia Companies

John J. Moriarty, who became executive vice-president and general manager of Sunset Life and Sunset Casualty of Olympia, Wash., last September, has now been elected president. He takes the place of James P. Neal. Tom W. Holman, Seattle attorney, was elected chairman of the two companies and president of American Underwriters Corporation.

Mr. Moriarty is a prominent figure in life insurance agency circles. He was operating an agency for Occidental Life in California when he took the position at Olympia. Prior to that he was vice-president of American Mutual Life and before that for many years vice-president of Missouri State and General American Life.

The two insurance companies are owned by American Underwriters Corporation. As of Dec. 31, Sunset Life had \$14,403,263 of insurance in force, assets \$960,449 and surplus to policyholders \$373,726.

Sunset Casualty writes only commercial accident and health. Its premium income last year was \$122,340. Surplus to policyholders is \$146,938.

P. L. Rate Reductions on Trucks Made in Texas

AUSTIN—The Texas board of insurance commissioners, effective March 1, has promulgated reduction in P. L. rates of 15 percent on class 4 or private carrier trucks; 7½ percent on class 3, or for hire locally operated trucks, and 10 percent on farm trucks and those of the pickup type.

the problems facing the business today. One of the topics up for discussion was W. T. Hammer's proposal of a standard contract for the general public.

Mr. Fuqua expressed the belief that congress probably will not pass any social security legislation at this session. This would give accident and health men two more years in which to prepare a definite proposal which would obviate the necessity of such legislation.

At the March meeting officers will be elected.

Reinsurance Deal in Utah

Security Life & Accident has acquired the business of Cosmopolitan Life of Utah. Cosmopolitan wrote only accident and health, and operated in Utah only.

The reinsurance agreement, which was approved by the attorney-general and commissioner of Utah, provides that Security L. & A. waive the right to assess and that Security assume full liability under the policies in force in Cosmopolitan.

The details were handled for Security by Vice-president W. J. McGettigan

and D. C. Stephens, manager for Security at Salt Lake City.

McCord Reports Increases

Illinois Mutual Casualty experienced in 1942 one of the best years in its history, President E. A. McCord reported. It wrote over \$500,000 in premiums, assets increased more than 26 percent and surplus more than 67 percent. It writes accident, health and hospitalization insurance.

United Has Its Best Year

United of Chicago in its new annual statement reports assets of \$1,658,538, an increase of about \$630,000. Net surplus stands at \$309,723 as compared with \$123,636. Capital is \$225,000. Total income was \$3,027,753, as compared with \$1,749,100. President O. T. Hogan stated that 1942 was the best year in company history.

A dividend of \$4.50 a share has been paid to stockholders.

Discuss Science of Planning

MILWAUKEE—"The Science of Planning" to get the most out of a day in accident and health insurance selling was discussed at the February meeting of the Accident & Health Underwriters of Milwaukee. The discussion panel

consisted of Gilbert Diehl, B. M. A.; Stanley Olyniec, Washington National, and E. G. Malone, Time, followed by questions from members.

Malone Is Assistant Secretary

E. G. Malone has been appointed assistant secretary of Time of Milwaukee and during the absence of R. L. Paddock in military service has assumed the duties of agency assistant. Mr. Malone has been with the company 29 years and since 1920 has been manager of city agencies in Milwaukee.

New Officers in Buffalo

New officers of the Buffalo Association of Accident & Health Underwriters are: President, Robert K. Gillen, Loyal Protective Life; vice-president, Oscar E. Martin, Columbian Protective; directors, C. F. Gould, Earle W. Popp, John G. Power, F. F. Griffin, C. A. Carr, Ted E. Buerger and Waring A. Shaw. Norman L. Bamber, Commercial Casualty, continues as secretary-treasurer.

Liberalizes Maternity Benefit

Hospital Care Corporation of Ohio has reduced the waiting period for maternity care under a family contract from 12 months to 9 months. Also provision has been made for membership for chil-



WE hope this poster will remind the insurance fraternity that it is in this fight too. They too must enlist in the silence campaign.

Copies of this poster, size 9 x 12 inches, will be furnished any insurance agent for window display

purposes. The Employers' Group imprint appears on the back of the poster. For copies write A. R. P. Department, The Employers' Group, 110 Milk Street, Boston. Please order by form number which is S428.





***“Whaddya mean,
I’m Lucky?”***

You bet you’re lucky! You’re lucky you’re able to pay an income tax . . . lucky you can enjoy the Four Freedoms . . . lucky you’re in a country with the world’s highest standard of living! If you don’t think so, ask the men in the steaming marshes of New Guinea . . . ask the shivering people of Stalingrad . . . ask the starving Axis slaves in Europe and Asia! Say . . . you don’t know how lucky you are!

This is no time for doubt or complaint. This is the time for you insurance men to redouble your determination, your courage. This is the time for activity in protecting the nation’s industry . . . for study of today’s many insurance problems . . . for thoroughness in your safety engineering work. This is the time to bend every effort toward Victory . . . to thank your lucky stars that you’re an American!

Published by the
UNITED STATES FIDELITY & GUARANTY CO.
and its affiliate,
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“Consult your Insurance Agent or Broker as you would your Doctor or Lawyer”

dren of a subscriber over 19 years of age as sponsored members. Thus coverage is provided for children who were formerly not eligible under the family contract and were not able to become members because they are in school or not employed by a firm where the hospital care plan is available.

Provident Life & Accident has amended its charter, eliminating the privilege of writing fire, theft and marine insurance.

The **West Virginia** house insurance committee has rejected a senate measure which would bring associations handling pre-payment systems of hospitals and medical care under supervision of the state insurance division.

COMPENSATION

Lively State Fund Bill Hearing in Michigan

LANSING, MICH.—Allegedly exorbitant profits earned by insurance companies on workmen's compensation lines under the present Michigan compensation act were assailed at a hearing before the legislature's labor committee. Several proposals to rewrite and liberalize the law were considered.

John Reid, secretary Michigan Federation of Labor and a member of the special compensation study commission, contended that companies collected \$12,000,000 in premiums in 1940 and \$15,835,000 in 1941 while paying out benefits for those years of \$6,204,000 and \$6,755,000. Benefits, he held, could have been virtually doubled without adding any burden on employers. Albert E. Meder, general counsel Michigan Manufacturers' Association and also a member of the commission, pointed out that Mr. Reid had overlooked the fact that the companies also pay medical costs which amount to from 20 to 40 percent of direct benefits.

Substantial agreement was reached on some points, particularly the proposed inclusion of all occupational diseases under the act instead of the present schedule. It was conceded that some increase in the maximum rate from the present \$18 weekly was justified. Mr. Meder said such payments should not exceed \$21, however. Mr. Meder opposed a compulsory state fund while Mr. Reid would eliminate private insurance.

Modify Law on Workers Out of U. S.

Public law 784 is now in effect and modifies public law 208 regarding workmen's compensation coverage of employees of contractors with the United States who are working outside the U. S. Such workers come under the longshoremen's and harbor worker's compensation act. The new law makes the old law applicable in the Canal Zone, an area formerly specifically excluded.

Rating Bureau Bill in Neb.

LINCOLN, NEB.—The Nebraska legislature's labor committee has taken under advisement a bill creating a workmen's compensation rating bureau which would be authorized to set maximum and minimum rates for all classifications, subject to the approval of the insurance director. The bill, modeled after the Minnesota law, was backed by Judge Coffey of the state compensation court, representatives of labor and also of construction companies who held that present rates are too high. Agents and company representatives opposed the bill, and were joined by a number of industrialists who argued that it would destroy the competition now offered.

Favors Optional Measure

SEATTLE—After prolonged controversy the Oregon senate's industries committee now favors a bill which

grants employers of extra-hazardous labor the option of reporting under the state fund, qualifying as self insurers or purchasing insurance.

Va. Rate Cut Under Advisement

RICHMOND, VA.—A proposed 5.2 percent rate reduction in workmen's compensation premium rates was taken under advisement by the state corporation commission after a hearing.

It would include 4 percent decrease in manufacturing, 10.3 percent in contracting, and a .5 percent in all other classes. A. Z. Skelding, actuary of the National Council on Compensation Insurance, testified the proposed rates are in accord with a formula approved by the commission in previous years.

The **Texas** senate has passed a bill to extend workmen's compensation benefits up to \$20 a week to members of the Texas defense guard injured in line of duty.

Robert E. Masterson, special agent of Fireman's Fund Indemnity, addressed the **Glendale (Cal.) Insurance Exchange** on the subject "Workmen's Compensation Insurance."

CHANGES

Manufacturers Casualty Opens Philadelphia Unit with Ferrier as Manager

Manufacturers' Casualty and Manufacturers' Fire appointed Benjamin F. Ferrier as manager of the Philadelphia metropolitan department office which will be opened in the Insurance Exchange, 401 Walnut street.

Mr. Ferrier has spent his entire business career in the Philadelphia insurance district and assumes his new position with a broad experience, obtained first with Travelers as field assistant, then with Globe Indemnity as underwriter, special agent, and assistant branch manager, Indemnity of North America as assistant to the manager of the liability de-



B. F. Ferrier

partment, Home Indemnity as manager of the casualty department, and for the past 10 years in the underwriting and production departments at Philadelphia of New Amsterdam Casualty.

The new office will be equipped with underwriting, claim, engineering, and audit facilities for the handling of all lines of casualty, fidelity and surety business. The business previously handled through the home office departments for brokers and agents in the metropolitan territory will be transferred to the new office.

Krueger Succeeds Jackson

Eugene Krueger, bond special agent in Illinois for Standard Accident, has been named special agent for southern Illinois. He succeeds C. E. Jackson, who had headquarters in Springfield. Mr. Jackson, who has entered the army and has reported to Scott Field, was trained in Standard Accident's engineering department and started in field work a year and a half ago.

John L. Franz Makes Change

John Leo Franz, who was for 22 years with Smullan & Co., Chicago, has gone with the Wiley, Magill & Johnson Agency there as a casualty underwriter. Mr. Franz held a number of

Liability respects nobody!



Standard's new Comprehensive Personal Liability Policy places in one form bodily injury and property damage liability coverage for the premises and personal activities of the assured, his wife and minor children.

A broad, simple contract, requiring no survey or audit, it is easy to explain—easy to sell—and it helps make up for reduced premiums on other lines.

Get your share of this business now and don't neglect the other liability forms—manufacturers, contractors, owners, landlords, tenants, elevator.

Standard of Detroit provides effective advertising and production aids to assist you in selling these and other "miscellaneous" casualty and bonding coverages. Standard field men can give you full details.

STANDARD ACCIDENT INSURANCE COMPANY

Standard Service Satisfies . . . Since 1884

H. E. Morrow Joins R. B. Jones & Sons Agency



H. E. MORROW

H. E. Morrow, superintendent of agents of Bituminous Casualty of Rock Island, Ill., has resigned to join R. B. Jones and Sons of Kansas City as manager of the compensation, liability and automobile department.

Mr. Morrow has had a wide experience in casualty underwriting, having been actively engaged in that field for more than 20 years. In leaving Bituminous Casualty Mr. Morrow terminates 8½ years of service and leaves many friends in that organization.

positions with Smullan & Co. He was casualty underwriter about ten years, and also handled fire lines.

Hoosier Advances Doerfler

Milo Doerfler has been elected second vice-president of Hoosier Casualty. He has been assistant secretary and has been with the company 13 years. He was for many years manager of Iowa Fire of Waterloo prior to its reinsurance by Automobile. As assistant secretary he has been in touch with the company's activities in all departments.

Jensen in Wis. for Employers

Arthur O. Jensen, who has been an underwriter of power plant, burglary and plate glass business for Fred S. James & Co. in Chicago for the past six years, has joined Employers Liability as principal underwriter in the Wisconsin department at Milwaukee. He takes the place of Wendell Simonson, who has received a commission as lieutenant (j.g.) in the naval reserve. Mr. Jensen started in the business with Royal Indemnity and then was connected with Joyce & Co. in Chicago before going with Fred S. James.

Tickner Assistant Manager

LOS ANGELES—B. Bryan Tickner has been named assistant manager of General Accident for southern California. He previously had been special representative.

PERSONALS

Kyle E. Simpson, state agent of Conkling, Price & Webb, Chicago, has been elected a member of the board of the Cleveland school district at Skokie, Ill.

W. Stanley Kite, president of Manufacturers Casualty and Manufacturers Fire, has returned to the home office after visiting the Chicago branch of which E. W. Morse is the manager and the St. Louis agents. This was Mr.

Kite's first trip to those cities since taking his position with Manufacturers.

George Hofmeister, vice-president of Continental Casualty, is on the Pacific Coast.

William Wolpert, special agent of Maryland Casualty, is in Asbury hospital, Minneapolis, with a fractured arm, the result of a fall on the ice at Austin, Minn., while on business there.

John F. Idler, supervising underwriter of Zurich, and Mrs. Idler have become the parents of their ninth child. It is a boy and has been named Victor. There are now five boys and four girls in the household.

DEATHS

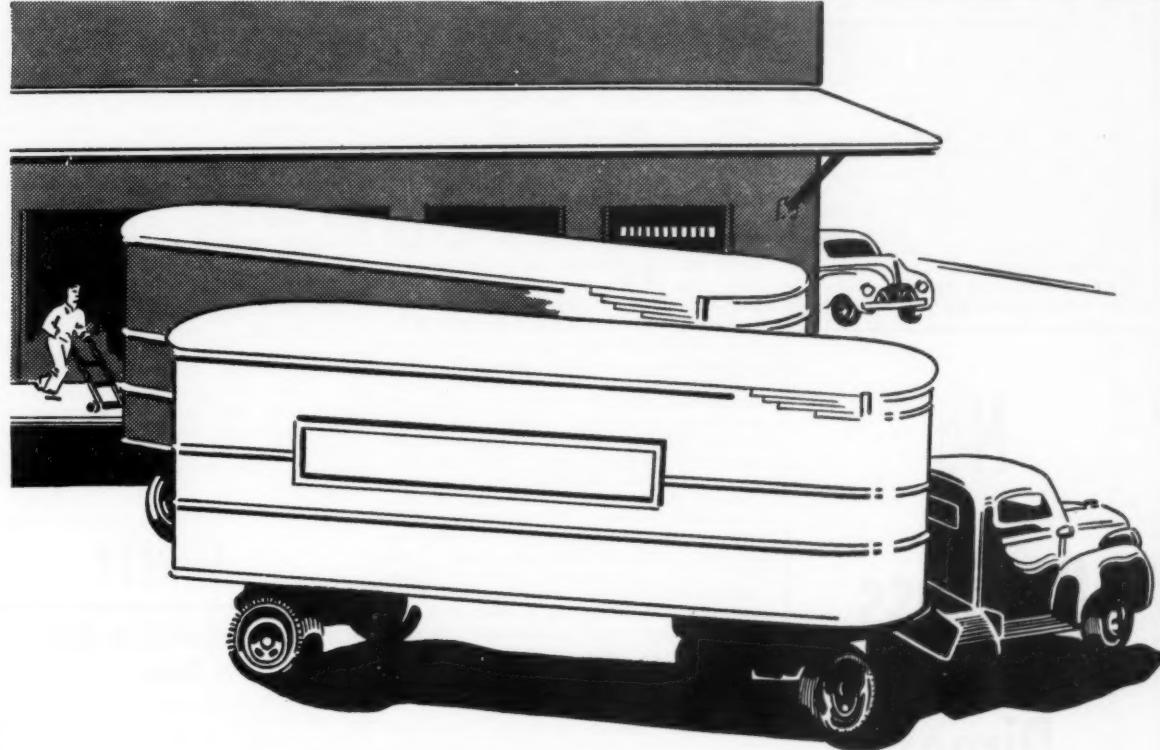
Stewart Streit, 9, son of D. A. Streit, manager casualty department Walter P. Dolle agency of Cincinnati, was accidentally shot and killed by his playmate Edwin Neuenschwander, 13, son of Hiram Neuenschwander, formerly general agent of National Masonic Provident, while playing "Marines and Japs" Saturday afternoon. Services for the boy were held last Monday.

Arthur Sohngen, vice-president of Ohio Casualty, died after an illness of several months. Mr. Sohngen for sev-

eral years had been devoting his time to the bond department both in underwriting and claims.

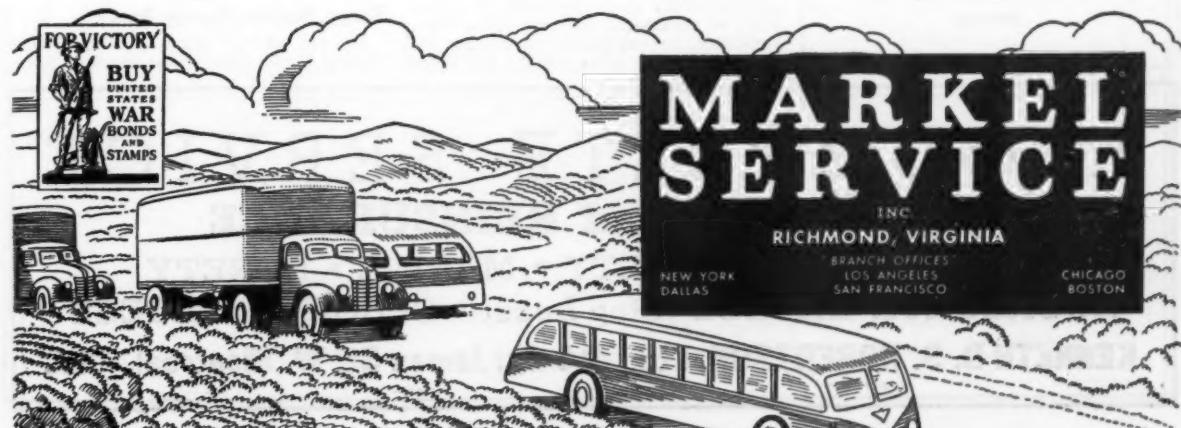
His father was a substantial stockholder of the company and Mr. Sohngen took over his father's interest a number of years ago. His brother is a member of a law firm in Hamilton.

President M. P. Cornelius of the Continental Casualty is in New York this week in conference with his associates there and executives of casualty companies. First Vice-president Roy Tuchbreiter was in New York City all last week.



**RUSH
22-HOUR
DEADLINE**

A **HUGE** bomber rolls off the assembly line of one of America's aircraft plants. Many of its parts have come from points hundreds of miles away, where special manufacturing operations are performed. Trucking companies co-ordinate these separate activities by rushing materials to designated points on deadline schedules. Thus, trucks are transforming the nation's highways into assembly lines hundreds of miles long. The need for keeping these trucks in smooth, efficient operation was never more important than now! The way in which Markel Service, insurer of leading truck and bus companies, is helping in this critical wartime task will bear investigation by agents and brokers handling this type of business. Learn more about Markel's specialized services by writing today.



War Increases Some Live Stock Premiums, Cuts Others

General stimulation of farm prices induced by the war has increased live stock values substantially and as a consequence the live stock insurance business is thriving, according to W. H. Timmons, general agent and operating head of Hartford Live Stock in Chicago.

Premiums of the company in 1942 totaled \$635,494, compared with \$617,225 in 1941. This increase would have been larger had not the war brought about the closing of a great majority of race tracks, Mr. Timmons said. Business in this category has been upset, since the high values of throrobred racing stock once represented a considerable portion of the company's premiums. Tropical Park in Florida raced but a few days this winter, thus leaving New Orleans the only track in operation. California may operate this year on a reduced schedule. Elaborate preparations are now being made for racing at the new Hipodromo located at Mexico City. However, at present it appears doubtful that racing will again flourish until after the war.

More business is coming from the farmer who is insuring his work horses

and mules and pure bred cattle; from the dairyman, cattleman, etc. The company is now experimenting with insurance on horses used in making city deliveries. Because of the war and ensuing tire and automobile restrictions there has been considerable growth in the use of horses for this purpose. The rate on this class is 2 percent more than on farm animals.

Under normal conditions the live stock insurance business is fairly steady, according to Dr. Timmons. During bad times the farmer, of course, is inclined to carry his own insurance, although he can less afford a loss than in normal times. In good times, however, he is willing to spend his money for essentials and regards live stock insurance as one of them.

Beef animals, both pure bred and feeding, and dairy cattle are selling for good prices. Feeding cattle are especially high, but the margin of profit is very close due to the present price of feed. The loss of one steer out of a carload could wipe out the feeder's profit. Therefore, death-from-any-cause coverage has a strong appeal for such assured.

There is always the possibility of encephalomyelitis or "sleeping sickness" breaking out among horses. Dr. Timmons contends that this malady usually appears in horses which have been running in pasture and feeding on vegetation on which there is a fungus growth. This usually crops out after extremely hot weather although cases of sleeping sickness break out here and there regularly. In one instance after a rather widespread epidemic Dr. Timmons went into the area and sold insurance freely on the theory that if farmers secured protection in time of emergency they would continue to buy after the emergency was over. It did not work out quite that way.

The war hasn't noticeably increased the use of horses and mules on the farm, but owners have more money and are buying insurance to cover them. Increased business resulted before the fall of France when the company secured transit business on horses and mules moving from inland points to the coast for trans-shipment to that country. This was a 30 day policy covering animals from the time the government took them over until arrival at the shipping port.

Trotting horses consistently provide a considerable volume of premiums for the company, Dr. Timmons said. This is good business. The racing season for trotters is quite limited and the races as a rule are promoted by farmers and stockmen. It is interesting to note that although the rates for race horses are comparatively high the company manages to show a profit on this business only in about one year out of three.

At one time the company provided coverage on dogs. It stayed in the field 11 years but despite the high rates there was much disease and mortality among such animals and the experience was so unsatisfactory as to preclude the possibility of continuing the protection. Other companies experimented on writing this class but today there are no more than

one or two which are accepting the coverage.

Probably the most difficult job the company has is to persuade assured to take less insurance than applied for. Dr. Timmons points out that the company prefers to have a mutual understanding between agent and the assured before the policy is issued rather than to attempt a compromise after a loss occurs.

It never permits an assured to buy more protection than the amount invested in the animal proposed for insurance and ordinarily assured himself is required to assume at least a small portion of the risk. In this way it avoids the insuring of speculative profits. Owners of prize animals of various types are often inordinately proud of them and have a tendency to boost values. Again, if a man buys a bull or a race horse at a bargain he wants to insure it for the "real" worth and not for the amount he has invested in the animal. Some margin is granted for appreciation in value, particularly in beef type animals.

Practically all of the company's business now is all risk protecting against death from any cause. It writes very freely the country over except on western ranges where animals are not under daily supervision, and in some sections of the south where they are subject to certain diseases.

The history of live stock insurance is an interesting one. From 1900 up until the early 1920's there were numerous live stock insurance companies established. At one time the state of Indiana alone had 13. Practically all of them except Hartford failed or disbanded or otherwise went out of the business.

SURETY

Sureties Relieved in Big Suit in New York

L. P. O'Connor, Inc., and 11 sureties on his completion bond covering his contract for the foundation of the Criminal Court building in New York City were relieved of liability to the city which was seeking to collect \$1,716,993 under the bond. At the same time the jury in the supreme court gave a verdict in favor of O'Connor and against the city for \$1,303,163 damages. The O'Connor firm had a contract for the foundations of the Criminal Court building and the city in February, 1939, defaulted to the contractor and suit was commenced for alleged breach of contract by the contractor.

O'Connor alleged among other things that the contract was impossible of performance because of the unusual and unforeseeable conditions at the site. He sought damages from the city for the amount expended on the contract. The sureties were Continental Casualty, Indemnity of North America, Great American Indemnity, Hartford Accident, Excess, Fidelity & Deposit, Royal Indemnity, Globe Indemnity, Century Indemnity, Columbia Casualty and Standard Surety & Casualty.

Stage Seattle Surety Party

At the annual party of the Seattle Surety Underwriters Association, Stan-

ley Holbrook, John A. Whalley & Co., was inducted as president, succeeding K. R. Warrack, American Surety. Gerald L. Perry, Hartford Accident, perennial secretary of the association, was toastmaster. The association is the oldest of its kind in the United States.

Neb. Liquor Bond Rate Cut

LINCOLN, NEB.—Insurance Director Frazier has been advised by the Towner Rating Bureau that the cost of \$2,000 bonds required of operators of beer taverns has been decreased from \$15 to \$10 a year. Western Surety of Sioux Falls offered to write them for \$12.50.

When the bonds were first written, the companies charged \$25 a year. Later the premium for the \$2,000 bond was reduced to \$15. So far as the department is advised there have been no losses.

Casualty Premiums 12% Higher

The A. M. Best Company finds that the premium income of 35 stock casualty companies last year exceeded by 12 percent the writings of 1941. The premium and loss reserves and policyholders surplus were up about 7 percent and assets were 9 percent greater.



Character IS EVERYTHING

... in the individual as well as the organization. And, with character goes faith and the fulfillment of obligations.

For 23 years the Pennsylvania Casualty Company has enjoyed the confidence of its thousands of agents and policyholders. It has never betrayed that confidence. It has always strived to build character—to improve its facilities — open new opportunities for its agents. It has always worked to serve its agents more efficiently—more friendly—for their own advantage as well as to policyholders.

Valuable Agency Franchises opening soon

PENNSYLVANIA CASUALTY COMPANY

First National Bank Building
BALTIMORE MARYLAND

No
Business
Direct

NATIONAL SURETY
CORPORATION

VINCENT CULLEN
President

A COMPLETE SERVICE INSURANCE and REINSURANCE

ACCIDENT • CASUALTY • MARINE • SURETY
AGGREGATE EXCESS (Stop Loss) • SPECIFIC EXCESS

KENNETH B. S. ROBERTSON, Ltd., 414 St. James St. W. Montreal, Can.

Seek Improvement in Vt. Responsibility Statute

The Vermont Association of Insurance Agents is supporting a measure giving the motor vehicle department the right to demand evidence of responsibility for payment of damages which might be assessed for an accident which has already happened where the driver has been convicted of careless and negligent driving. The present law gives the department such a right only in the event a driver is convicted of driving drunk, leaving the scene, manslaughter, driving without license or after suspension of license or driving without permission of owner.

The Vermont agents desired to have the type of law that is in force in New York and New Hampshire but the motor vehicle department voiced opposition on the ground it does not have a force to administer such a law and the department does not want to be the agency to decide the guilt of any driver without due process of law. The motor vehicle department is, however, supporting the modified amendment.

Claims Against Municipalities

LOS ANGELES—"Claims Against Municipal Subdivisions" was discussed by Frank B. Belcher, president of the state bar of California and a member of the association, before the Casualty Insurance Adjusters Association of Southern California. He confined his talk entirely on the manner in which the case of Artukovich vs. County of Los Angeles was handled in the courts.

Reports were made on the status of proposal to increase doctors' fees in compensation cases. Physicians have been asked to give their reasons for an increase, and the companies to tell why no increase should be granted.

Hearing on Cheese Makers Mutual

MADISON, WIS.—Arguments of attorneys for Cheese Makers Mutual Casualty of Madison and the Wisconsin department were heard by Judge Hoppmann in Dane county circuit court. Cheesemakers Mutual recently was granted a temporary restraining order prohibiting Commissioner Due from starting an action to revoke its license until a hearing could be held. The issue involves the requirement under Wisconsin statutes that mutual casualty companies must establish \$50,000 reserve under a 1941 law. Cheesemakers has \$32,000 reserve and claims it is not subject to the provision, as it was in business prior to enactment.

Wood Host to Marine League

CINCINNATI—Thomas E. Wood, prominent agent who is commandant Cincinnati detachment Marine Corps League, will be host to several hundred guests at a dinner March 13 in honor of Judge A. F. Ormsby of Jersey City, national commandant Marine Corps League and his aides, Senator Brooks of Illinois, James F. Cromwell, former U. S. Minister to Canada, and Representative Melvin Maas. Mr. Maas joined the Marine Corps in 1917 the day after war was declared. He was the northwest manager of the surety bond department of National Surety for a number of years. In 1925

POSITION WANTED—TEXAS

Man 54 years of age, healthy and active with 28 years experience. Texas, Home Office, Field; covering all lines, specializing in Casualty and Surety. Address replies to 1737 W. Alabama, Houston, Texas.

AN OPPORTUNITY OF A LIFETIME
for a man of ability and vision with thorough knowledge of all casualty lines to qualify as Special Agent or Production Manager—state age, experience and draft status. Salary figure wide open for the right man. Address R-44, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

he organized the Dwyer-Maas agency at St. Paul.

Union Labor Life Bill Opposed

HOUSTON—Union Labor Life presented to the insurance committee of the Massachusetts legislature a bill to reduce from \$400,000 to \$375,000 the capital required of a life company to write accident and health, liability and workmen's compensation in Massachusetts.

Commissioner Harrington opposed the bill, stating it would affect only Union Labor Life and suggested that the company should increase its capital

by \$25,000, if it wished to enter the state for such additional lines, rather than attempting to change the statutes. Rather than reduce the requirements, he stated, it had been his intention to recommend an increase in the capital stock of companies writing both life and accident and liability lines.

Farmers Auto to Pay Dividend

LOS ANGELES—Farmers Automobile Interinsurance Exchange has established a voluntary \$800,000 reserve to pay policyholders a 20 percent dividend.

It does not operate regularly on a divi-

dend basis, but loss ratios have showed such a decrease that funds are far in excess of the amount necessary to pay claims, set up adequate reserves and add substantially to the surplus.

Farmers Automobile and Truck Insurance Exchange are being examined by Illinois, Oklahoma, Washington and California.

Discuss Automobile Rate Making

At the meeting of the Actuaries Club of Boston this week, Charles S. Warren of the Massachusetts Rating & Inspection Bureau will discuss automobile rate making under war conditions.

Organized 1875

ACCIDENT AND CASUALTY INSURANCE COMPANY

OF WINTERTHUR, SWITZERLAND

UNITED STATES BRANCH

December 31, 1942

Financial Statement

ADMITTED ASSETS

Cash and U. S. Government Securities	\$2,227,736.79
Other Bonds	1,999,514.04
Stocks	318,225.00
Other Assets	665,023.40
Total	\$5,210,499.23

LIABILITIES

Reserve for Claims	\$1,300,653.98
Reserve for Unearned Premiums	1,186,652.94
Reserve for Other Liabilities	223,192.31
Statutory Deposit with New York	\$ 850,000.00
Surplus Over Deposit	1,650,000.00
Policyholders' Surplus	2,500,000.00
Total	\$5,210,499.23

Bonds and Stocks owned are valued in accordance with requirements of New York State Insurance Department and National Association of Insurance Commissioners. Securities carried in the above Statement at \$1,381,022.00 are deposited as required by law.

On the basis of December 31, 1942, market quotations for all Bonds and Stocks owned, this Company's total Admitted Assets would be increased to \$5,248,111.38.

OGDEN DAVIDSON
United States Manager

111 JOHN STREET



CHARLES A. BARKIE
U. S. Assistant Manager

NEW YORK, N. Y.

NEWS OF THE CASUALTY COMPANIES

Accident & Cas. Is in Strong Position

The U. S. branch of Accident & Casualty reported total admitted assets of \$5,210,499 in its 1942 annual statement, a decrease of \$390,526 from 1941. On the basis of Dec. 31 market quotations for bonds and stocks owned, admitted assets would be increased to \$5,248,111.

The decrease in admitted assets is due to the reduction in premium income amounting to approximately \$600,000, which resulted almost entirely from the company's effort to eliminate unprofitable sources of business.

Reserve for unearned premiums was \$1,186,653 as compared with \$1,452,892 the year before, while reserve for claims was \$1,300,654, an increase of \$38,647 more than in 1941, notwithstanding a drastically reduced number of open claims and suits, thereby placing the company in a strong reserve position. Reserves for other liabilities total \$223,192 against \$248,626 the year before. Policyholders' surplus remains at \$2,500,000.

General Re Shows Many Increases

General Reinsurance, in its new statement, shows assets of \$20,652,207, an increase of \$2,540,503.

Reserve for claims increased \$948,000 to \$8,118,985, and premium reserve increased \$129,135 to \$2,647,766. A catastrophe reserve of \$350,000 is continued, and, in addition, the voluntary reserve increased from \$405,757 to \$1,055,902. Capital remains \$1,000,000 and net surplus \$6,000,000. The actual gain in surplus funds is shown in the increase of voluntary reserve. Surplus as regards treatyholders including that reserve is thus \$8,405,905. On the basis of market quotations, assets would be increased more than \$182,000 and voluntary reserve would stand at \$1,237,995.

Fichter Heads Grange Mutual

Joseph W. Fichter, master of the Ohio State Grange, has been elected president of Grange Mutual Casualty. John C. Haaf of Columbus is vice-president and Mrs. Hazel T. Zwayer, secretary-treasurer.

Net Prems. Losses Pd.
Alliance Mutual Cas., Kan.—Assets, \$241,587; inc., \$19,256; unearned prem., \$89,534; loss res., \$13,201; lab. res., \$38,614; surplus, \$90,698; inc., \$48,627. Experience:

Accident	\$ 1,509	\$ 335
Auto liability	49,337	18,965
Other liability	1,108	.....
Fidelity	222	.....
Surety	278	.....
Plate glass	1,740	707
Club livestock	683	563
Auto prop. damage	19,606	8,052
Auto collision	27,983	11,970
Other P. D. and coll.	432	.....
All other	55,334	16,515
Total	\$ 158,232	\$ 57,107

Accident & Casualty—Assets, \$5,210,499; dec., \$390,526; unearned prem., \$1,186,653; loss res., \$112,214; lab. res., \$936,179; comp. res., \$244,761; capital, \$850,000; surplus, \$1,650,000. Experience:

Accident	\$ 24,515	\$ 13,189
Health	1,954	681
Auto liability	1,341,216	1,061,211
Other liability	281,772	89,368
Workmen's comp.	440,638	174,541
Fidelity	19,904	3,933
Surety	46,585	90
Plate glass	35,077	35,837
Burglary and theft	122,708	29,891
Auto prop. damage	423,104	325,960
Auto collision	7,504	6,341
Other P. D. and coll.	12,732	2,884
Other auto	1,106	11
Total	\$ 2,808,815	\$ 1,743,757

American Fidelity & Cas.—Assets, \$4,066,871; inc., \$288,221; unearned prem.,

\$220,120; loss res., \$154,269; lab. res., \$919,481; capital, \$900,000; surplus, \$1,285,254; inc., \$69,820. Experience:

Net Prems. Losses Pd.	.....
Auto liability	\$ 324,451	\$ 1,623,143
Auto prop. damage	885,638	629,940
Total	\$ 4,310,089	\$ 2,253,082

American Hospital & Life, Tex.—Assets, \$556,667; inc., \$133,568; unearned prem., \$48,336; loss res., \$32,000; capital, \$100,000; surplus, \$240,149; inc., \$106,553. Experience:

Health \$ 861,745 \$ 457,941

American Reinsurance—Assets, \$18,273,070; inc., \$2,122,556; unearned prem., \$2,331,061; loss res., \$5,054,555; lab. res., \$1,696,706; comp. res., \$2,626,467; capital, \$2,000,000; surplus, \$5,995,720; inc., \$1,060,686. Experience:

Accident \$ 9,802 \$ 1,978

Health 918 488

Auto liability 569,349 287,720

Other liability 382,656 81,130

Workmen's comp. 1,019,301 343,859

Fidelity 637,988 151,495

Surety 1,672,352 153,253

Plate glass 734

Burglary and theft 171,351 44,838

Steam boiler 9,521 209

Engine and mach. 26,815 8,966

Auto prop. damage 32,177 2,821

Auto collision 2,134

Other P. D. and coll. 61,460 3,206

Water damage 190

Total \$ 4,596,755 \$ 1,079,969

Anchor Casualty—Assets, \$3,283,657; inc., \$137,681; unearned prem., \$879,304; loss res., \$130,092; lab. res., \$419,203; comp. res., \$536,897; capital, \$400,000; surplus, \$500,000; inc., \$50,000. Experience:

Accident \$ 12,211 \$ 4,608

Health 2,751 1,221

Group A. & H. 5,440 1,035

Misc. Acci. 1,428 302

Auto liability 611,796 250,337

Other liability 120,833 20,164

Workmen's comp. 810,845 365,626

Auto fire 47,162 14,857

Auto theft 39,715 10,627

Plate glass 17,407 8,216

Burglary and theft 5,957 901

Auto windstorm 8,808 4,553

Auto comprehensive 71,591 32,490

Auto prop. damage 251,030 102,520

Auto collision 236,392 107,814

Other P. D. and coll. 11,068 2,094

Other auto 9,895 2,141

Total \$ 2,264,328 \$ 929,506

Atlantic, Tex.—Assets, \$1,186,078; inc., \$58,253; unearned prem., \$255,141; loss res., \$35,128; lab. res., \$165,103; capital, \$300,000; surplus, \$367,119; inc., \$3,036. Experience:

Accident \$ 3,353 \$ 1,680

Auto liability 168,392 91,397

Other liability 1,292 2,545

Surety 756

Plate glass 1,518 2,248

Auto prop. damage 97,758 27,774

Auto collision 225,855 33,213

Miscellaneous 90,491 53,065

Total \$ 1,589,418 \$ 211,925

Auto Club Inter Ins. Exch., Mo.—Assets, \$1,351,994; inc., \$127,737; unearned prem., \$482,784; loss res., \$39,107; lab. res., \$379,831; surplus, \$394,351; inc., \$143,646. Experience:

Auto liability \$ 479,692 \$ 129,129

Plate glass—auto 114 27

Auto prop. damage 116,027 51,027

Auto collision 186,251 86,964

Other auto 165,998 33,641

Total \$ 948,082 \$ 300,788

Bankers Indemnity—Assets, \$8,385,252; inc., \$44,280; unearned prem., \$2,284,878;

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loss res., \$219,968; lab. res., \$1,933,671; 569; inc., \$32,004; unearned prem., \$1,247,646; loss res., \$218,789; lab. res., \$637,037; comp. res., \$481,640; capital, \$605,000; surplus, \$459,678; inc., \$63,819. Experience:

Accident \$ 54,007 \$ 9,566

Health 10,397 4,395

Auto liability 1,408,749 511,154

Other liability 1,021,862 326,942

Workmen's comp. 1,489,175 745,677

Fidelity 129 669

Surety 2,251 1,046

Plate glass 187,173 71,213

Burglary and theft 343,665 95,660

Auto prop. damage 465,065 244,829

Auto collision 12,455 7,502

Other P. D. and coll. 47,475 12,044

Total \$ 5,040,152 \$ 2,027,402

Beacon Mutual Indemnity—Assets, \$450,033; dec., \$606; unearned prem., \$187,628; loss res., \$31,586; lab. res., \$97,638; guar. fund, \$225,000; surplus, \$100,602; inc., \$29,906. Experience:

Accident \$ 26,453 \$ 6,212

Health & acc. & hosp. 18,307 6,894

Auto liability 141,168 55,410

Other liability 48

Plate glass 434 394

Auto prop. damage 75,187 38,603

Auto collision 106,867 51,812

Other P. D. 28

Other auto 58,493 15,209

Total \$ 426,990 \$ 174,536

Continental Casualty—Assets, \$4,071,917; inc., \$2,927,257; unearned prem., \$9,239,053; loss res., \$8,318,386; lab. res., \$5,132,915; comp. res., \$4,175,712; non-canc. A. & H. res., \$1,398,076; capital, \$2,500,000; surplus, \$11,146,496; inc., \$1,086,496. Experience:

Accident \$ 5,272,593 \$ 1,431,715

Health 4,353,525 1,884,918

Group A. & H. 1,106,783 589,845

Non-canc. A. & H. 523,277 748,983

Auto liability 5,432,900 2,556,897

Other liability 2,246,316 571,092

Workmen's comp. 4,610,103 2,182,606

Fidelity 554,071 84,609

Surety 1,392,529 321,442

Plate glass 346,619 169,875

Burglary and theft 817,487 172,659

Steam boiler 120,772 10,179

Engine and mach. 39,110 1,415

Auto prop. damage 1,764,656 922,922

Auto collision 21,456 11,269

Other P. D. and coll. 165,530 24,551

Total \$ 28,767,636 \$ 11,684,977

Emmco Casualty—Assets, \$1,076,976; inc., \$72,694; unearned prem., \$242,431; loss res., \$30,947; lab. res., \$228,710; capital, \$300,000; surplus, \$219,612; inc., \$18,777. Experience:

Health \$ 11,075 \$ 4,002

Auto liability 347,651 129,109

Auto prop. damage 137,588 86,064

Total \$ 496,314 \$ 219,175

FOUND...a new list

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Scheufler Backs Principle of Qualification Bill

ST. LOUIS—Insurance Superintendent Scheufler in a talk to the Insurance Board of St. Louis said that Missouri should have an adequate agents' and brokers' qualification bill, although the insurance department will not attempt to dictate to the general assembly the terms of such a measure.

A number of conferences have been held in Jefferson City by the representatives of various branches of insurance and a bill that is favorable to all groups is being introduced in the assembly this week. New applicants must pass an examination.

Tribute to Insurance Industry

Mr. Scheufler paid tribute to the insurance industry for its contributions to the war efforts. Insurance buyers consider the agent or broker who contacts them as "the insurance company" and the public reaction toward insurance is of necessity governed by the manner in which the agent or broker does his work.

The premium income of insurance companies of all classifications in Missouri totaled \$156,000,000 last year, while the losses paid aggregated over \$70,000,000 plus, Mr. Scheufler reported.

Powell B. McHaney, general counsel General American Life, made an appeal for generous support of the American Red Cross War Fund Drive.

Redraft Acceptable Tax Check Bill in Nebraska

LINCOLN, NEB.—The Nebraska legislature's insurance committee has accepted a redraft of the bill which sought to give municipalities a first lien for unpaid taxes on the proceeds of fire insurance policies where a 40 percent loss occurred. The new draft was prepared by H. B. Requartte, attorney for insurance companies. The companies had objected to being compelled to act as collectors as provided in the original bill. As recommended by the committee for passage, the bill provides that before a loss can be paid or sued upon the owner of the property, where the loss is \$200 or over or more than 50 percent of the insured value, must present a certificate showing payment of delinquent taxes. Mr. Marquette said that this provision will be to the advantage of insurance companies because on a declining real estate market there will be fewer cases of arson since evasion of tax payments often is a reason for burning a property.

Farmers Mutual Hail Marks Golden Anniversary

DES MOINES—Farmers Mutual Hail is observing its golden anniversary March 4, and special honor is being paid to W. A. Rutledge, one of the founders of the company and its secretary since organization.

Afternoon sessions will include talks by company representatives from each state in which the company operates and an address on modern selling methods by W. K. Niemann, Des Moines agency manager of Bankers Life of Iowa and president of the Iowa Association of Life Underwriters.

Talks at the banquet will be made by Secretary Rutledge, who will review the company's history; Harry P. Cooper, secretary of the National Association of Mutual Insurance Companies; Commissioner Fischer of Iowa; William Koch, president of National Life of Iowa, and H. W. Byers, manager of the automo-

bile claim department of Farmers Mutual.

New Michigan Bills

LANSING, MICH.—A bill supported by the Michigan Association of Insurance Agents has been introduced in the Michigan house insurance to provide an alternative penalty for the present three month license suspension for agents found guilty of any infraction of insurance law. The bill permits the commissioner to impose a \$25 penalty for each offense.

A revision of the coinsurance provision passed in 1941 is being sought as the present limitations are held to be unsatisfactory. A new amendment introduced in the senate would make the section apply to "tangible" personal property, thus rendering it applicable to marine coverages.

A senate bill broadens the powers of stock automobile companies to include general property damage. Mutuals would be permitted to include medical payments in the original liability contract rather than by endorsement as at present.

Retaliatory provision of the Michigan insurance code to eliminate the present "tax for tax" and "fee for fee" basis of applying the law to carriers of other states has been introduced in the senate. Aggregate charges would be substituted

Speaking Program at Joliet

Will S. Ellis, assistant manager Royal-Liverpool group, Chicago, will speak March 4 on "Use and Occupancy Insurance" in the educational course being conducted by the Joliet Association of Insurance Agents. H. R. Thiemeyer, North America, Chicago, will discuss "Reporting Forms" at a session March 18. N. P. Parkinson, chief deputy Illinois department, discussed changes in the agents and brokers qualification law and Jack Brushingham of Globe & Rutgers took up consequential loss and damage at two meetings held near the end of February.

Form Morris, Ill., Board

A new local board has been organized at Morris, Ill., through the activity of Harry J. Leach, well known in the Illinois association, who has been elected as first president. A. H. Hilliker is vice-president and M. E. Robinson secretary-treasurer. This is the first local board organized in Illinois this year. John M. French, vice-president of Region 2 of the Illinois association, took part in the activity.

Jones Heads Minn. Adjusters

J. R. Jones, America Fore group, has been elected president of the Fire Insurance Adjusters Club of Minnesota. Wm. B. Haier, Western Adjustment, is vice-president; Harvey C. Strelow, Phoenix of Connecticut, secretary.

Scheufler at K. C. Get-together

The Kansas City Insurance Agents' Association held its annual get-together Feb. 27. Guests included Superintendent Scheufler of the Missouri insurance department, and Frank J. Loren, his chief deputy.

Hummel Is Toledo Speaker

Neal Hummel, superintendent of the Ohio Audit Bureau in Toledo, addressed the Toledo Association of Insurance Agents, discussing recent changes in the rule book.

NEWS BRIEFS

Earl F. Woods, Kansas state agent for Morrison & Co., Omaha general agents,

was discussion leader on "Automobile Fire and Theft, Other Than Passenger Cars" before the Hutchinson insurance school.

Chaplain R. C. Calvert of the Topeka army air base addressed the Insurance Women of Topeka.

Dale Critzer, cashier of the Fourth National Bank of Wichita, addressed the Wichita Association of Insurance Agents on "The Accountant Looks at War."

W. J. Harrell, for some years manager of the insurance department of the Lincoln Investment Co., of Wichita, has purchased all outstanding stock and dissolved the corporation. He will continue the business under the same name.

R. W. Patee of the Gibson agency, Lyons, Kan., has joined the staff of one of the Wichita airplane plants, leaving the agency in the hands of his wife, Georgia Gibson Patee, whose late father established the agency.

At the Fond Du Lac, Wis. safety school, R. E. Verner, Western Actuarial Bureau, spoke on "Preventing Sabotage—Fires in War Industries."

The Insurance Women of Racine, Wis., meeting heard Gordon Maier discuss the new federal income and Victory

taxes. It was decided to entertain the Milwaukee women at the April meeting.

The Minneapolis Insurance Women's Association on March 8 will take up inland marine lines in its educational course.

The personal property floater and the personal accident policy were discussed at a meeting of the Southeastern Minnesota Agents Regional Association at Winona.

Clarence Sullivan, garden editor of the Columbus "Dispatch," addressed the Insurance Women of Columbus this week.

At the March 10 meeting of the Insurance Women of Des Moines, Leo Hoak, Des Moines contractor, will show motion pictures of the Alaskan highway. About 25 women have been attending the course on inland marine with Larry White of Royal-Liverpool as discussion leader.

The Insurance Women of Cleveland will hold a banquet March 11, with agency, branch office and departmental heads as guests. This will be "bosses night."

Walter H. Riedesel has purchased the agency of the late Emil W. Timm, at Charter Oak, Ia.

IN THE SOUTHERN STATES

Texas Windstorm Loss Ratio 107%; Fire Ratio Rises

DALLAS—A sharp increase in fire loss ratio and a virtually ruinous jump in the loss ratio on windstorm in Texas in 1942 are indicated by preliminary figures just announced by the Texas Insurance Checking Office. The figures are only for business reported to the bureau, which means that there might be a slight change when the department combines experience of the mutuals that report direct to it.

However, the total for the year shows fire premiums totaling \$22,988,954 and losses of \$9,465,707 for a loss ratio of 41.2 percent, compared with a final loss ratio of 34 percent in 1941, and 40 percent for the five years ended with 1941.

The windstorm premiums in 1942 totaled \$7,316,994 and losses were \$7,859,727 for a ratio of 107.4 percent. The dwelling loss ratio inland was 170.3 percent, and seacoast 79.7, while total loss ratio inland was 121.1 percent and seacoast 79.6 percent. The total loss ratio for the state compares with 81 percent in 1941 and 50 percent in 1940, while the five-year combined windstorm loss ratio was 50 percent.

Cullison Atlanta Manager for Millers National

Russell S. Cullison has succeeded Fred Myers as manager of Millers National southeastern department in Atlanta.

Mr. Myers has organized his own local agency in Marietta, Ga., where he has lived for a number of years while traveling for Millers National, and previously for St. Paul.

Mr. Cullison is a son of James B. Cullison, Jr., manager of the Rain & Hail Bureau of Chicago. He was born in Enid, Okla. He attended the Universities of Arizona, Utah and Illinois, graduating at Illinois. He is a graduate of the Insurance Institute of Amer-

ica, and has had four years' training in Millers National's home office.

One Policy Now Covers All Dallas City Property

DALLAS—A single policy now covers the fire and extended coverage hazard of all property of the city of Dallas, exclusive of the school and park boards, for five years, the first time that the city's property has been so completely and simply covered. The policy was arranged by the Dallas Local Placement Board, a group of live local agents working in behalf of all local agents in the city who are members of the Dallas Insurance Exchange.

The policy was issued by Trinity Universal, which will act as focal point in all claims and negotiations. However, it immediately ceded two-thirds of the policy to Gulf and Republic, and the three Dallas companies then ceded part of their coverage to general agencies of the city.

The policy gives protection of \$675,275 at a total premium of \$10,166, all written at manual rates. The final distribution of the liability is as follows: Trinity Universal, one-sixth; Gulf, one-ninth; Republic, one-ninth; Royal Exchange, through Trezevant & Cochran, one-sixth; Agricultural, through Gross R. Scruggs, one-ninth; Hanover, through Floyd West & Co., one-ninth; Springfield Field & Marine, through T. A. Manning, one-ninth; and Southern Reinsurance Exchange, through Gulf, one-ninth. The commission was turned over to the exchange for apportionment.

Kentucky Agents to Hold One-Day Meet in Louisville

LOUISVILLE—The Kentucky Association of Insurance Agents executive committee at a meeting here decided to have a one-day state convention in Louisville the latter part of May, but time and hotel have not been set. The committee approved the public relations program of the National Association of Insurance Agents.

F. M. Keisker, who has been assistant secretary of the Kentucky association since June, 1941, has resigned to go with the B. F. Goodrich Company in its new synthetic rubber plant in Louisville. He

went to the Kentucky association from the "Insurance Field." He was an agent of Equitable Society in Louisville before going with the "Field."

Holloway Wells & Co. Partner

Charlie M. Holloway of Corsicana, Tex., has become a partner in the general agency firm of Wells & Co. of Galveston, successor to Beers, Kenison & Co. He has been north Texas special agent since Jan. 1, 1942, but now will move to Galveston to assume active charge of the business during the absence of the principal owner, Clint G. Wells, who is a lieutenant in the army air force.

For many years Mr. Holloway was associated with the Ed. M. Polk local agency in Corsicana.

West Tours Va. Cities

Oscar H. West, manager of the Virginia Association of Insurance Agents, held a series of conferences with groups of agents at Charlottesville, Staunton, Luray, Leesburg and Fredericksburg. The agents contacted are much interested in problems arising out of war conditions. Many of them are writing war damage insurance, although their territory is apparently not exposed to enemy bombing operations as much as territory along the coastal sections. Mr.

West expects to hold regional meetings in southern Virginia and the Lexington-Covington-Clifton Forge area within the next month.

Whitney to Speak in Birmingham

BIRMINGHAM, ALA.—The Birmingham Association of Insurance Agents will have as speaker at its meeting on March 8 Warren Whitney, president of Associated Industries of Alabama and manager of the National Cast Iron Pipe Company of Birmingham.

The association is sponsoring an accident prevention campaign in cooperation with the National Conservation Bureau. A committee has arranged to erect five large billboards as well as many smaller posters in behalf of safety.

Alabama Meeting Set for May 6

The Alabama Association of Insurance Agents has definitely set May 6 for a one-day wartime convention in Birmingham. The morning session will be for agents only and the afternoon will be open to all, with two or three well-known speakers scheduled. The directors will meet the evening of May 5.

The Alabama association has added 40 new members since Sept. 1, increasing its membership by 25 percent.

Everett M. Owen, secretary of the

Davenport Insurance Corporation of Richmond and son of Aubrey L. Owen, Virginia special agent of Alliance and Philadelphia Fire & Marine, has been elected secretary of the Junior Chamber of Commerce of Richmond.

Ed Piggott of the San Antonio office of the Fire Companies Adjustment Bureau has been transferred to Austin.

The Insurance Women of Birmingham is a new organization, affiliated with the National Association of Insurance Women. Mrs. Ida B. McCoy, Gregory Insurance Agency, is president. Vice-president is Mrs. Josie Dean; secretary, Mrs. Verdery Greenwood.

EAST

\$750,000 Poultry Loss in Maryland

Loss is estimated at about \$750,000 in the destruction by fire of the facilities of the Morris Poultry Farms on the Delmarva peninsula of Maryland near Bishopville. About 2 1/4 million eggs, 40,000 chicks and 30 hatcheries were burned. The Morris Poultry Farms advertised itself as the largest producer of chicks in the world. Poultry dealers throughout this area fear that the fire will cause a noticeable interruption to current supplies of poultry.

Assails 25% Bill in Mass.

Commissioner Harrington of Massachusetts at a hearing before the joint legislative insurance committee voiced disapproval of the bill to deny a license to agents or brokers whose own or controlled business exceeds 25 per-

Ontario Local Boards Elect

William Godwin has been elected president of the Kingston (Ont.) Fire & Casualty Insurance Agents Association. Vice-president and secretary is E. L. Martin.

G. H. Cottrell has been elected president of the Cornwall association. Vice-president is G. M. Cornell; secretary-treasurer, Miss Olga G. Ross.

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new license applicants to serve a three-year apprenticeship as a solicitor before being privileged to act as an agent. The other measure would enable savings and loan associations to act as insurance agents.

The survivorship of action bill which passed the house was defeated in the senate. Several new automobile financial responsibility measures have been introduced.

Buyer Is King County Speaker

SEATTLE—William Sharpe, assistant controller and insurance manager for Meier & Frank Co., Portland department store, will be the speaker at the March 11 luncheon meeting of the King County Insurance Association on "What the Buyer of Insurance Expects from His Insurance Agents."

MOTOR

Cover Detached Battery, Tires, Etc., Under Auto Theft Policy in Canada

Motor vehicle insurers in Canada have been advised by the Provincial Insurance Superintendents' Association that they are expected now to provide indemnity under the private passenger theft policy for loss of not more than five wheels, tires and tubes and one battery which have been detached from the automobile and stored in the residence of the assured provided that such equipment has not been replaced with other similar equipment attached to the automobile. The extension is undertaken as a war measure to meet the circumstances created by tire and gasoline restrictions. The superintendents recommend that losses be adjusted on this basis without attaching any endorsement to the policy.

Claims Made for Gasoline Stolen from Cars' Tanks

Insurance companies are being confronted these days with numerous claims for theft of gasoline under the automobile comprehensive policy. The gasoline thieves frequently get away with a car and abandon it undamaged

after draining the gasoline from the tank at some secluded spot. The companies generally deny liability for such loss on the ground that the gasoline is not a part of the automobile. It is comparable to a claim for loss of anti-freeze solution as part of collision damage. The usual practice is to deny liability for such loss.

Policywriting Is Being Shoved Off on Insurers

Automobile departments of fire companies these days are receiving an unusual number of requests from agents to do the policy writing work. Such requests are coming from many of the larger agencies, particularly in connection with complicated schedules that have been rendered even more complicated recently by the collision rate discount according to the type of gasoline rationing cards. The agents are short of stenographic and clerical help and apparently throw up their hands when they encounter such problems and deposit the job in the laps of their companies. These are unwelcome assignments in company offices which are likewise shorthanded.

Figures of General Exchange

The effect of the cessation of new car sales on the business of insurers writing finance premiums in 1942 is illustrated in the report of General Exchange and Motors Insurance. General Exchange had net premiums in 1942 of \$8,459,794, compared with \$39,620,518 in 1941. Losses in 1942 totaled \$13,706,707. Assets decreased from \$43,521,989 to \$29,125,224. Motors had premiums of \$1,174,181, compared with \$1,448,943.

MARINE

War Risk Rates Cut on Canadian Atlantic Trips

NEW YORK—War risk rates covering shipments to or from Canada Atlantic ports which were formerly bracketed with Newfoundland, have been reduced, although the Newfoundland rates re-

main at the old level.

A reduction from 7½ to 6 percent has been made on trips specifying the West Indies, east coast Mexico, east coast Central America and north coast of South America not south of Trinidad to or from Canada Atlantic ports. The 7½ percent rate still applies on shipments between Canada Atlantic ports and Newfoundland and the north coast of South America beyond Trinidad and not south of Paramaribo.

Another distinction made as to Canada Atlantic ports and Newfoundland is the quotation on a trip including ports on the east coast of South America south of Paramaribo to or from Canadian ports. The rate is 10 percent. The former rate of 12½ percent still applies for Newfoundland trips.

The new rate on routes including ports on the west coast of the United States, Canada, South America, Central America and Mexico to or from Canada Atlantic ports is 6 percent. A reduction from 3 to 1 percent is made in rates covering local Canada Atlantic coastwise voyages. The rate from Canada Atlantic ports to or from Newfoundland is now 2 percent.

The rate for trips to or from the United States, Canada, West Indies, Central and South America and Mexico to or from Portugal, Madeira and the Azores by Portugal flag steamers has been reduced from 7½ percent to 5 percent and the trip to or from Portugal by Swiss flag vessels has also been reduced to 5 percent.

A further reduction of 2½ percent has been made in rates for shipments between east coast of South America ports south of Paramaribo and ports in the West Indies and on the north coast of South America. The new rate is 7½ percent. A new inland waterway route has been established and a 5 percent rate set for shipments between Cape Charles and Little Creek Ferry.

Mariners Hear Arson Talk

William J. Spillard, special agent of the National Board at Chicago, discussed arson fires at the luncheon of the Mariners, Chicago marine underwriters organization, Tuesday. He said there are four reasons for arson: Revenge, destruction of evidence, to secure insurance, and pyromania. About 75 percent of the cases arise from the desire to collect on insurance. John H. Byers, Great American, skipper, presided.

DPC Policy in Mississippi

WASHINGTON—Mississippi's minimum premium law and not an unwillingness of the Defense Plant Corporation to insure its properties in Mississippi is responsible for failure to insure such properties, according to DPC officials. They pointed out that Mississippi prohibits agents from writing policies where the premium is less than the regular state premium, while the DPC standard policy form used in other states does not permit payment of such a premium.

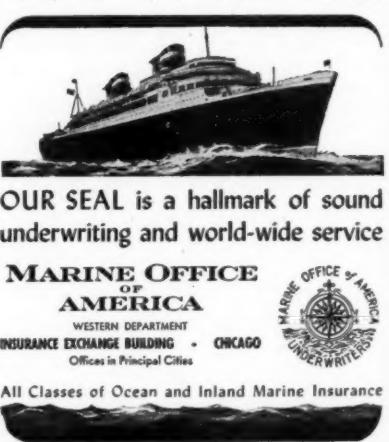
Brokers Promote New Company

Seven insurance brokers in Quebec province are seeking incorporation of a company to be known as Canadian Union General. The company, with head office in Montreal and capital of \$500,000, seeks a charter to write fire and allied lines and automobile and casualty insurance.

Although he'll be 78 next fall, Charles Priestman, the only secretary-treasurer that the Ontario Fire & Casualty Insurance Agents' Association has ever had, has decided to continue unbroken his walking achievements. On March 17 he will leave Toronto for his annual 25-mile hike to Oakville, Ont.

Kalkaska School Burns

The property of school district No. 1 at Kalkaska, Mich., burned with almost total loss. The high school section, of brick, had \$56,200 insurance and this



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VANCOUVER
MONTREAL
BOSTON
ST. LOUIS
WASHINGTON
LONDON

THE NORTHERN ASSURANCE CO. LTD.

A Progressive Company for Progressive Agents
FIRE and ALLIED LINES - AUTOMOBILE - INLAND MARINE

CHICAGO

NEW YORK

SAN FRANCISCO



was total. The frame section, the gymnasium and auditorium, had \$16,000, and this was almost an entire loss.

Rules on Exporting Insurance Data

(CONTINUED FROM PAGE 21)

essary to enable the risk to be rated or underwritten. Also permitted is premium payable to a reinsurer, where direct insurance is written in the U. S., or to the insurer written direct outside the United States; name of warranty or ceding company is permitted and the amount of retention of warranty or ceding company.

Information concerning certain specified classes of non-marine insurance may be communicated unless the risk involved is one which comes under the definition of a war project or unless the information discloses details of a major disaster. Such risks are blanket bonds, including fidelity; burglary and house-breaking; jewelers' block, personal accident other than in respect of persons engaged in war projects or air-borne travel outside the U. S.; live stock, householder's comprehensive, casualty and compensation, automobiles and trucks, fire, professional liability, tornado and earthquake, riot and civil commotion and public liability.

Restrictions in Marine End

In the marine field no information shall be sent out sufficient to enable the identification to be made of name of vessel, specific ports of loading, discharge or call, exact nature or description of cargo carried, sailing dates or dates of arrival in connection with insurance or reinsurance on a voyage basis. In connection with insurance on a period time basis no information may be transmitted except that essential to underwriting subject to censorship approval.

In the insuring on a voyage basis a system of identification of vessels, zoning of routes to be traversed and general cargo classifications approved by the censor may be permitted. In connection with insurance on a voyage basis, all details omitted from previous communications may be transmitted after a long enough time has elapsed and after termination of the voyage to guarantee security of ship complement and cargo. Closings on facultative risks declared against open covers may not be placed in the mails until at least 60 days after the estimated termination of the voyage except in the event of total loss of the vessel in which case the closing may go forward immediately if sent by separate cable or letter.

Requests may be made to the censorship for approval of transmission of information that has been classified as prohibited by the Office of the Chief Cable Censor, Apex bldg., Washington;

Office of Cable & Radio Censor, 67 Broad St., New York, or Office of Cable & Radio Censor, 180 New Montgomery St., San Francisco.

Transmission of insurance information to and from non-admitted British insurers in the United Kingdom shall be handled through BICO in New York City and the censorship is prepared to consider any similar plan submitted to it.

All communications intended to be sent or transmitted through postal channels must contain on the face of the covering envelope the word "insurance." There are provided four service sections to conduct precensorship work. They are at 252 Seventh avenue, New York; Lock Drawer 7400-A, Main Postoffice bldg., Chicago; 1045 Sansome st., San Francisco, and Box 591, Main Postoffice, Miami. Any communication may be submitted, in advance of mailing, to one of those service stations for censorship treatment.

Meeting of Chicagoans

The executive committee of the Surplus Line Brokers Association of Illinois held a meeting Monday morning with David J. Kadyk of the law firm of Lord, Bissell & Kadyk, Illinois attorney in fact for Lloyds, to discuss the BICO setup. Mr. Kadyk will be in New York later this week and will convey to the Lloyds people the ideas of the Chicagoans.

Several of the brokers expressed a desire to have set up in Chicago a cable censorship desk so that they could get an immediate decision on whether a particular message should be

routed through BICO and if that were not necessary to get direct clearance on a cable.

Another question was as to the hours that BICO will be in operation. Due to the difference in time between Chicago and New York the Chicagoans hope that BICO will remain open late enough in the evening to get off cables as late in the day as Chicago people have been accustomed to sending such messages. In any event the Chicago people want to know just what time in the day they must get their messages off from Chicago in order to have BICO transmit the cables that night.

The brokers would also like to have some clarification as to what is meant by a war project. For instance they want to know whether cables pertaining to routine insurance requirements have to be passed through BICO merely because the assured is engaged in war work.

The brokers desire to have explained to them what is meant in the regulations by the term "security of information."

profit to be returned to the insurer and 2 percent to the companies for the special war revenue tax. Each company is to settle its own claims subject to review by the pool's claim board.

The insurers may exercise no selection. They have to accept all risks that are approved by the transit control officer. Informal assurance has been given, it is understood, that the companies will not be compelled to insure buses at this rate and that drivers who are bad actors will be eliminated from the plan.

Rates Subject to Review

The rates will be subject to reconsideration at the end of six months and every three months thereafter.

The plan was worked out by the Canadian Underwriters Association and the Independent Automobile Conference in cooperation with representatives of the transit control plan. Headquarters of the pool are temporarily at 805 Victory building, Toronto. The chairman is W. C. Butler, Canadian manager of Pearl.

A.B.A. Section Annotates Policies

The insurance section of the American Bar Association has compiled and is issuing to members a complete annotation of the standard fire policy and the standard automobile casualty policy. A similar annotation of the standard workmen's compensation policy soon will be ready for distribution.

E. Frank Gregg, 78, for a number of years a local agent at Central City, Neb., is dead.

Pool Cover Arouses Interest Here

(CONTINUED FROM PAGE 21)

sion on these policies and the individual company retains 18 percent beyond that for its expenses. The balance of 72 percent is remitted to the pool monthly and the pool allocates 65 percent for claims and sets aside 5 percent for

J. M. B. PETRIKIN.....Vice-President
G. N. GARDNER.....Vice-President

E. R. Zimmerman, State Agent for Ohio
50 East Broad Street, Columbus, Ohio

J. R. GARDNER.....President

D. A. HOLADAY.....Treasurer
HAZEL O'NEILL.....Secretary

THIRTY-NINTH ANNUAL STATEMENT

THE MERCHANTS FIRE INSURANCE COMPANY DENVER, COLORADO

DECEMBER 31, 1942

ASSETS

Cash in Banks and Office.....	\$ 287,463.62
Bonds (at amortized values)—	
U. S. Government—Direct and Fully Guaranteed.....	\$ 997,444.05
State.....	26,619.25
Municipal.....	1,001,108.02
Total Bonds.....	2,025,171.32
First Mortgage Loans on Real Estate.....	417,237.43
Accrued Interest on Bonds and Loans.....	12,259.82
Agents Balances and Accounts.....	238,924.04
Real Estate.....	21,183.92
Stock—Insured Building and Loan Assn.....	5,000.00
	\$3,007,240.15

LIABILITIES

Reinsurance Balances.....	\$ 65,230.37
Loss Claims in Process of Adjustment (Less Losses Reinsured \$81,705.82).....	126,725.71
Accrued Taxes and Expenses.....	81,819.14
Accounts Payable.....	183.77
Reserve for Unearned Premiums.....	1,409,916.53
Reserve for Possible Loss on Real Estate Loans and Accounts.....	10,612.41
Capital Stock.....	400,000.00
Surplus.....	\$932,230.02
Less Assets not admitted.....	19,477.80
	912,752.22
	\$3,007,240.15

POLICY HOLDERS' SURPLUS \$1,312,752.22

	1941	1942	
Assets.....	\$2,920,073.87	\$3,007,240.15	Increase \$87,166.28
Surplus.....	866,436.29	912,752.22	Increase 68,248.09
Premium Reserve.....	1,430,628.92	1,409,916.53	Decrease 20,712.39

This statement is Based on Report Filed with the Insurance Commissioner of the State of Colorado.

INDIANA INSURANCE COMPANY

A STOCK COMPANY CHARTERED 1851—OPERATING ONLY IN INDIANA

Capital, Surplus and Reserves for Protection of Policyholders over \$1,150,000.00

Writing

AUTOMOBILE

All Lines in One Policy

FIRE and WINDSTORM

Combined coverage, equal or unequal amounts, in one policy.
Excellent reinsurance facilities.

INLAND MARINE

and All Risk Floaters

PLATE GLASS

Unexcelled contracts

COOLING - GRUMME - MUMFORD CO., Inc.

State Agents

Consolidated Bldg., Indianapolis

HOW about
an agency
contract
with a Company
that
will help an
agent when
help is
needed?

Market 3331

SPECIAL AGENTS
ERNEST NEWHOUSE
EMERSON NEWHOUSE
HAROLD H. WELLS
JOHN P. KEISER

COMPANIES

(CONTINUED FROM PAGE 30)

Chicago Ice Producers Mutual—Assets, \$389,424; dec., \$27,795; unearned prem., \$17,495; loss res., \$1,225; lab. res., \$29,935; comp. res., \$26,155; surplus, \$292,643; dec., \$42,819. Experience:

Net Prem. Losses Pd.
Auto liability \$ 26,962 \$ 3,941
Other liability 5,032 386
Workmen's comp. 54,212 34,770
Auto fire 1,960 79
Auto theft 2,550 714
Auto prop. damage. 11,146 4,508
Auto collision 2,689 570
Total \$ 104,552 \$ 44,971

Electric Mutual Lab., Mass.—Assets, \$1,560,004; inc., \$336,784; unearned prem., \$105,234; loss res., \$3,110; lab. res., \$92,230; comp. res., \$264,991; surplus, \$691,147; inc., \$6,678. Experience:

Auto liability \$ 56,379 \$ 13,442
Other liability 30,057 415
Workmen's comp. 559,774 198,645
Auto prop. damage. 16,516 5,906
Other P. D. and coll. 16,867 211
Total \$ 679,593 \$ 218,619

Employers Mutual Lab., Wis.—Assets, \$34,653,501; inc., \$6,992,218; unearned prem., \$6,226,799; loss res., \$414,285; lab. res., \$2,218,016; comp. res., \$14,970,232; surplus, \$5,822,185; inc., \$821,704. Experience:

Auto liability \$1,777,860 \$ 735,694
Other liability 1,597,722 247,911
Workmen's comp. 22,269,765 \$ 8,805,061
Plate glass 23,125 10,631
Burglary and theft. 12,740 1,293
Steam boiler 7,602 3,896
Engine and mach. 12,675 22,585
Auto prop. damage. 574,101 279,197
Auto collision 284,780 123,925
Other P. D. and coll. 352,532 68,598
Total \$26,912,901 \$ 10,298,792

Equity Mutual, Mo.—Assets, \$795,329; inc., \$38,255; unearned prem., \$253,732; loss res., \$13,400; lab. res., \$168,214; comp. res., \$16,099; surplus, \$257,969; inc., \$20,664. Experience:

Auto liability \$ 210,784 \$ 84,257
Other liability 43,871 5,423
Workmen's comp. 190,224 101,409
Surety 11,572 5,931
Plate glass 2,317 791
Burglary and theft. 1,979 233
Auto prop. damage. 94,024 43,384
Auto collision 23,391 11,445
Other P. D. and coll. 9,583 159
Hospitalization 325 927
Total \$ 588,070 \$ 253,559

Eureka Casualty—Assets, \$3,123,893; inc., \$333,182; unearned prem., \$352,545; loss res., \$1,799,845; lab. res., \$223,385; comp. res., \$1,521,005; capital, \$500,000; surplus, \$300,169; inc., \$100,169. Experience:

Auto liability \$ 234,727 \$ 136,876
Other liability 31,593 2,633
Workmen's comp. 1,379,943 624,344
Fidelity 115 —84

Surety 192 —2,797
Plate glass 18,207 4,586
Burglary and theft. 8,471 503
Auto prop. damage. 94,869 64,454
Auto collision 2,673 1,209
Other P. D. and coll. 2,499 330
Total \$1,773,293 \$ 832,076

Excess—Assets, \$4,229,360; inc., \$432,005; unearned prem., \$576,151; loss res., \$283,754; lab. res., \$837,261; comp. res., \$477,692; capital, \$755,095; surplus, \$900,000. Experience:

Net Prem. Losses Pd.
Auto liability \$ 26,962 \$ 3,941
Other liability 5,032 386
Workmen's comp. 54,212 34,770
Auto fire 1,960 79
Auto theft 2,550 714
Auto prop. damage. 11,146 4,508
Auto collision 2,689 570
Total \$ 104,552 \$ 44,971

Electric Mutual Lab., Mass.—Assets, \$1,560,004; inc., \$336,784; unearned prem., \$105,234; loss res., \$3,110; lab. res., \$92,230; comp. res., \$264,991; surplus, \$691,147; inc., \$6,678. Experience:

Auto liability \$ 56,379 \$ 13,442
Other liability 30,057 415
Workmen's comp. 559,774 198,645
Auto prop. damage. 16,516 5,906
Other P. D. and coll. 16,867 211
Total \$ 679,593 \$ 218,619

Employers Mutual Lab., Wis.—Assets, \$34,653,501; inc., \$6,992,218; unearned prem., \$6,226,799; loss res., \$414,285; lab. res., \$2,218,016; comp. res., \$14,970,232; surplus, \$5,822,185; inc., \$821,704. Experience:

Auto liability \$1,777,860 \$ 735,694
Other liability 1,597,722 247,911
Workmen's comp. 22,269,765 \$ 8,805,061
Plate glass 23,125 10,631
Burglary and theft. 12,740 1,293
Steam boiler 7,602 3,896
Engine and mach. 12,675 22,585
Auto prop. damage. 574,101 279,197
Auto collision 284,780 123,925
Other P. D. and coll. 352,532 68,598
Total \$26,912,901 \$ 10,298,792

Equity Mutual, Mo.—Assets, \$795,329; inc., \$38,255; unearned prem., \$253,732; loss res., \$13,400; lab. res., \$168,214; comp. res., \$16,099; surplus, \$257,969; inc., \$20,664. Experience:

Auto liability \$ 210,784 \$ 84,257
Other liability 43,871 5,423
Workmen's comp. 190,224 101,409
Surety 11,572 5,931
Plate glass 2,317 791
Burglary and theft. 1,979 233
Auto prop. damage. 94,024 43,384
Auto collision 23,391 11,445
Other P. D. and coll. 9,583 159
Hospitalization 325 927
Total \$ 588,070 \$ 253,559

General Indemnity Exch., Mo.—Assets, \$336,847; inc., \$20,706; unearned prem., \$26,925; loss res., \$3,982; lab. res., \$49,317; comp. res., \$9,772; cont. res., \$75,000; surplus, \$145,479; inc., \$9,704. Experience:

Auto liability \$ 32,768 \$ 6,539
Other liability 11,666 2,659
Workmen's comp. 16,890 4,624
Auto theft 2,169 281
Auto prop. damage. 8,271 5,365
Auto collision 5,516 3,920
Other auto 3,484 1,167
Total \$ 1,531,335 \$ 361,052

General Reinsurance—Assets, \$20,652,207; inc., \$2,540,503; unearned prem., \$2,647,766; loss res., \$1,914,350; lab. res., \$2,454,394; comp. res., \$3,575,241; capital, \$1,000,000; surplus, \$6,000,000. Experience:

Accident \$ 456,197 \$ 188,951
Health 76,939 39,345
Auto liability 1,833,894 708,028
Other liability 704,973 249,958

Surety 192 —2,797
Plate glass 18,207 4,586
Burglary and theft. 8,471 503
Auto prop. damage. 94,869 64,454
Auto collision 2,673 1,209
Other P. D. and coll. 2,499 330
Total \$1,773,293 \$ 832,076

Grange Mutual Cas., O.—Assets, \$386,664; inc., \$63,349; unearned prem., \$95,824; loss res., \$40,788; lab. res., \$55,036; surplus, \$190,640; inc., \$74,976. Experience:

Accident \$ 66 \$ 192
Health 4
Auto liability 822,033 251,885
Other liability 108,159 49,056
Workmen's comp. 138,932 58,492
Fidelity 30,212 3,324
Surety 343,696 33,382
Burglary and theft. 2,095 3,443
Steam boiler 3,334
Engine and mach. 9,812
Auto prop. damage. 73,931 5,402
Other P. D. and coll. 14,371
Total \$7,608,856 \$ 1,900,091

Farmers Auto., Ill.—Assets, \$820,281; inc., \$126,249; unearned prem., \$196,443; loss res., \$49,552; lab. res., \$156,585; surplus, \$349,883; inc., \$91,751. Experience:

Auto liability \$ 209,586 \$ 88,683
Other liability 1,332 117
Medical payment 9,022 4,548
Miscellaneous 1,141 1,353
Auto prop. damage. 76,872 40,997
Auto collision 304,524 158,464

Fire, theft, wind and
glass 70,789 25,526
Total \$ 673,270 \$ 319,691

Farmers Union Mut. Auto., In.—Assets, \$287,377; inc., \$6,218; unearned prem., \$132,181; loss res., \$74,250; lab. res., \$52,917; surplus, \$63,979; inc., \$1,466. Experience:

Fire \$ 11,954 \$ 2,194
Tornado 5,304 472
Auto liability 92,369 58,033
Auto prop. damage. 57,700 23,434
Auto collision 36,260 13,765
Auto fire, theft, comp.
and cargo 45,549 11,792
Total \$ 248,138 \$ 109,691

Greater New York Taxpayers Mut.—Assets, \$4,541,449; inc., \$375,142; unearned prem., \$1,193,876; lab. res., \$1,145,225; surplus, \$1,937,684; inc., \$217,335. Experience:

Other liability \$1,817,211 \$ 510,223

Hardware Indemnity, Minn.—Assets, \$2,027,175; inc., \$394,499; unearned prem., \$676,042; loss res., \$49,001; lab. res., \$595,898; comp. res., \$11,370; capital, \$400,000; surplus, \$229,340; inc., \$4,602. Experience:

Auto liability \$ 786,788 \$ 145,178
Other liability 265,808 67,396
Workmen's comp. 53,757 18,316
Plate glass 42,291 12,306
Burglary and theft. 47,378 8,288
Auto prop. damage. 286,582 96,999
Other P.D. and coll. 48,729 12,618

Total \$1,531,335 \$ 361,052

Hawkeye Casualty—Assets, \$1,779,012; inc., \$559,239; unearned prem., \$744,370; loss res., \$76,248; lab. res., \$224,878; comp. res., \$27,371; capital, \$350,000; surplus, \$150,000. Experience:

Accident \$ 1,885 \$ 63
Auto liability 494,675 166,112
Other liability 15,248 295
Workmen's comp. 97,105 44,985
Cargo 23,463 4,243
Plate glass 1,143 23
Burglary and theft. 2,517 983
Auto prop. damage. 421,401 111,086
Auto collision 273,246 104,126
Other P. D. and coll. 1,847 251
Other auto 201,233 52,350

Total \$1,533,763 \$ 484,517

Indiana—Assets, \$1,656,307; inc., \$155,316; unearned prem., \$625,820; loss res., \$93,384; lab. res., \$256,213; capital, \$250,000; surplus, \$252,117; inc., \$37,578. Experience:

Fire \$ 177,231 \$ 58,846

Tornado and extended

coverage 91,683 38,357

Inland marine 12,808 7,220

Auto liability 261,410 136,401

Other liability 5,530 24

Plate glass 15,774 10,003

Burglary and theft. 2,775 128

Bonds 3,835

Auto comprehensive. 178,849 47,534

Auto prop. damage. 137,106 79,207

Auto collision 311,366 171,032

Other P. D. and coll. 286 69

Medical expense 27,108 11,013

Total \$1,225,764 \$ 559,837

*All losses include claim and adj. exp.

Inter-State Business Men's Accident—Assets, \$551,692; inc., \$28,246; unearned prem., \$74,021; loss res., \$53,623; surplus, \$322,874; inc., \$26,553. Experience:

Accident \$ 219,462 \$ 67,657

Health 228,589 96,886

Group A. & H. 8,572 4,642

Total \$ 456,423 \$ 169,185

Massachusetts Casualty—Assets, \$246,175; inc., \$5,226; unearned prem., \$42,984; loss res., \$20,523; non-can. A.H. res., \$37,593; capital, \$100,000; surplus, \$31,429; inc., \$6,216. Experience:

Accident & health. \$ 89,131 \$ 38,730

Non-can A. & H. 162,540 61,522

Total \$ 251,671 \$ 100,252

Medical Protective—Assets, \$2,596,210; inc., \$75,776; unearned prem., \$457,536; lab. res., \$1,343,543; capital, \$300,000; surplus, \$364,663; inc., \$25,938. Experience:

Other liability \$ 737,267 \$ 242,123

Mountain States Mut. Cas., N. Y.—Assets, \$170,355; inc., \$63,279; unearned prem., \$22,408; comp. res., \$53,235; cont.

Dog—The Friend of Man



ONE PURPOSE

These six Cocker puppies giving the food dish their undivided attention might well be pointed out as an object lesson in the advantages of concentrating on a single purpose. No one knows better than these young fellows that if they don't jump right into the job at hand, their brothers and sisters will get ahead of them, and they will still be hungry at the end of the meal.

Many of life's success stories are actually biographies of those who have had a strong singleness of purpose. They may well have profited by this elementary object lesson.

Cockers are a friendly, playful breed of dog. Good hunters, too. In fact, the Cocker gets his name from the use to which he was originally bred in hunting woodcock.

Another Friend of Man

— INSURANCE —

Especially When Placed with
A Friendly Company

SECURITY FIRE INSURANCE COMPANY

DAVENPORT, IOWA

Protection Since 1883

(Reduced reprint from a series of calendar-blotters sent monthly to our agents and prospective agents.)

Bonds and Stocks in above statement carried at December 31, 1942 market quotations. On the basis of amortized values on bonds eligible for amortization and stocks and other bonds at December 1, 1942 market quotations, total assets would be \$2,492,341.92 and policyholders surplus \$955,881.64. Securities carried at \$218,125.00 in the above statement are deposited as required by law.

surp., \$8,250; surplus, \$19,313; inc., \$9,009; div. res., \$48,990. Experience: Net Prems. Losses Pd. Workmen's comp.... \$ 184,377 \$ 55,494

National Grange Mut. Linb.—Assets, \$3,476,325; inc., \$496,485; unearned prem., \$906,949; loss res., \$97,000; liab. res., \$1,116,120; guar. fund, \$250,000; surplus, \$500,000. Experience: Auto liability \$1,598,813 \$ 513,690 Auto prop. damage. 555,457 167,013 Auto collision 109,852 41,202 Total \$2,265,123 \$ 721,905

Norwich Union Ind.—Assets, \$2,125,334; inc., \$75,555; unearned prem., \$219,219; loss res., \$622,726; liab. res., \$268,273; comp. res., \$312,381; capital, \$500,000; surplus, \$730,002; inc., \$15,539. Experience:

Net Prems. Losses Pd. Accident \$ 18,342 \$ 9,136 Auto liability 188,340 52,937 Other liability 42,342 5,642 Workmen's comp.... 50,283 50,780 Plate glass 13,495 4,721 Burglary and theft. 12,055 2,578 Auto prop. damage. 69,632 24,353 Auto collision 4,726 1,428 Other P. D. and coll. 1,477 546 Total \$ 400,665 \$ 152,135

Old Line Auto. Insurors, Ind.—Assets, \$84,171; unearned prem., \$19,040; loss res., \$2,597; liab. res., \$7,273; surplus, \$50,572; inc., \$2,050. Experience:

Auto fire \$ 705 \$ 366 Auto theft 774 97 Auto liability 23,013 7,831 Tornado (Auto).... 35 22 Acci. Med. (Auto).... 956 325 Comprehen. (Auto).... 3,007 928 Auto prop. damage. 14,212 5,719 Auto collision 10,891 10,133 Total \$ 53,606 \$ 25,424

Pacific Automobile—Assets, \$1,203,354; dec., \$6,205; unearned prem., \$390,622; loss res., \$52,744; liab. res., \$222,906; comp. res., \$36,022; capital, \$201,336; surplus, \$238,903; inc., \$33,666. Experience: Auto liability \$ 382,250 \$ 196,956 Other liability 31,704 8,376 Workmen's comp.... 91,555 28,547 Auto prop. damage. 152,340 89,957 Auto collision.... 161,759 76,164 Other P. D. and coll. 1,834 52 Other auto 70,784 22,728 Total \$ 892,256 \$ 422,780

Peerless Casualty—Assets, \$2,901,982; inc., \$469,581; unearned prem., \$571,114; loss res., \$201,736; liab. res., \$498,144; comp. res., \$43,330; capital, \$650,000; surplus, \$700,000; inc., \$99,126. Experience: Accident \$ 224,556 \$ 101,117 Auto liability 551,103 190,423 Other liability 49,314 10,794 Workmen's comp.... 83,461 9,874 Fidelity 101,862 10,788 Surety 600,880 27,239 Surcharge pre. guar. 132,386 Aggregate excess. 7,528 * Auto prop. damage. 87,860 31,905 Auto collision 51,374 26,422 Other P. D. and coll. 2,228 * Other auto 7,254 Total \$ 1,767,425 \$ 540,952

St. Paul Mercury Indem.—Assets, \$18,184,917; inc., \$1,069,853; unearned prem., \$4,920,557; loss res., \$949,415; liab. res., \$3,005,501; comp. res., \$770,710; capital, \$1,000,000; surplus, \$5,218,597; inc., \$527,535. Experience: Accident \$ 152,281 \$ 60,956 Auto liability 2,741,852 995,007 Other liability 1,472,977 330,375 Workmen's comp.... 1,410,262 631,412 Fidelity 473,304 84,303 Surety 1,444,994 57,804 Plate glass 174,562 76,354 Burglary and theft. 312,585 61,750 Auto prop. damage. 902,372 423,473 Auto collision 199,915 80,569 Other P. D. and coll. 133,771 23,374 Conversion 774 96 Total \$ 9,419,649 \$ 2,825,473

Standard Mutual Cas., Ill.—Assets, \$373,752; inc., \$32,093; unearned prem., \$88,358; loss res., \$13,542; liab. res., \$80,767; surplus, \$160,574; inc., \$5,123. Experience: Auto liability \$ 97,554 \$ 30,576 Theft & fire, auto & wind 16,177 2,387 Auto prop. damage. 43,440 15,909 Auto collision 34,578 13,220 Other auto 4,014 1,849 Total \$ 195,765 \$ 63,943

State Auto Assoc., Ind.—Assets, \$6,011,197; inc., \$379,800; unearned prem., \$1,424,306; loss res., \$1,021,994; liab. res., \$773,651; surplus, \$1,500,000; inc., \$100,000. Experience: Auto liability \$1,105,770 \$ 571,333 Auto fire and theft. 29,750 22,926

Net Prems. Losses Pd. Auto comprehensive. 277,348 117,815 Auto med. expense. 82,075 20,984 Auto prop. damage. 545,981 359,188 Auto collision 960,929 489,703 Other auto 1,963 1,468 Total \$3,003,818 \$ 1,583,421

Sterling—Assets, \$1,766,034; inc., \$1,004,217; unearned prem., \$260,689; loss res., \$70,820; non-can A&H res., \$32,355; capital, \$200,000; surplus, \$853,596; inc., \$812,026. Experience:

Accident & health... \$1,431,346 \$ 318,917

Suburban Auto, Ill.—Assets, \$816,264; inc., \$35,435; unearned prem., \$237,852; loss res., \$19,209; liab. res., \$142,886; capital, \$200,000; surplus, \$142,855; inc., \$30,978. Experience:

Auto liability \$ 230,323 \$ 84,021 Auto fire, theft and comp. 63,193 15,795 Auto prop. damage. 102,325 38,971 Auto collision 104,140 52,167 Other auto 4,173 1,671 Total \$ 504,154 \$ 192,625

Sun Indemnity—Assets, \$7,193,586; inc., \$326,326; unearned prem., \$1,440,540; loss res., \$225,127; liab. res., \$1,270,299; comp. res., \$641,914; capital, \$1,000,000; surplus, \$2,054,522; inc., \$144,442. Experience:

Accident \$ 96,338 \$ 33,678 Health 45,731 21,816 Auto liability 1,051,697 517,739 Other liability 482,659 175,690 Workmen's comp.... 744,474 349,212 Fidelity 39,177 4,655 Surety 54,546 7,399 Plate glass 95,766 34,655 Burglary and theft. 181,725 40,638 Auto prop. damage. 470,208 229,472 Auto collision 10,118 1,818 Other P. D. and coll. 15,626 4,040 Total \$3,288,064 \$ 1,406,018

U. S. Casualty—Assets, \$14,316,473; inc., \$1,122,400; unearned prem., \$3,157,202; loss res., \$6,041,192; liab. res., \$2,498,018; comp. res., \$2,926,095; capital, \$1,000,000; surplus, \$2,500,000. Experience:

Accident \$ 245,708 \$ 95,996 Health 116,927 56,747 Group A & H. 7,364 1,232 Auto liability 1,973,537 753,627 Other liability 1,335,812 406,738 Workmen's comp.... 2,903,838 1,409,773 Fidelity 161,865 27,323 Surety 333,611 53,576 Plate glass 109,455 48,553 Burglary and theft. 351,260 60,324 Auto prop. damage. 598,584 321,854 Auto collision 13,189 7,124 Other P. D. and coll. 100,811 15,552 Total \$8,251,967 \$ 3,258,427

Federal Life & Cas.—Assets, \$1,705,322; inc., \$179,042; unearned prem., \$273,013; loss res., \$105,826; capital, \$450,000; surplus, \$398,775; inc., \$62,319. Experience:

Accident & Health... \$1,478,543 \$ 478,880

United States Mutual—Assets, \$438,609; inc., \$45,712; unearned prem., \$96,216; loss res., \$54,495; liab. res., \$192,386; surplus, \$50,973; inc., \$583. Experience:

Auto liability \$ 221,864 \$ 139,232 Auto prop. damage. 111,568 55,716 Auto collision 29,026 19,386 Auto fire & theft. 34,159 10,227 Total \$ 396,617 \$ 224,561

Western Casualty & Surety, Kan.—Assets, \$5,949,258; inc., \$945,879; unearned prem., \$1,760,596; loss res., \$307,524; liab. res., \$1,411,093; comp. res., \$578,964; capital, \$750,000; surplus, \$641,714; inc., \$29,123. Experience:

Accident \$ 11,371 \$ 3,504 Health 1,793 241 Auto liability 1,172,046 473,104 Other liability 786,872 142,948 Workmen's comp.... 861,105 465,222 Fidelity 40,601 7,616 Surety 458,394 59,802 Plate glass 90,904 42,317 Burglary and theft. 84,327 17,873 Auto prop. damage. 444,526 224,234 Auto collision 11,570 4,240 Other P. D. and coll. 73,804 6,758 Other auto 374 168 Total \$4,037,687 \$ 1,448,027

Stevens Agency Director of Hoosier Farm Bureau

E. D. Stevens, Goshen, Ind., has been appointed agency director Hoosier Farm Bureau Life and Farm Bureau Mutual of Indianapolis. He succeeds L. A. Williams, resigned. Mr. Stevens has been field supervisor of the two companies.

Jack J. Rosebrough is acting general manager of the organization in the absence of M. R. Ringer, who is now a lieutenant (j.g.) in the naval reserve and is stationed at Virginia Beach, Va.

Map Clerk Dearth Is Worst Shortage

NEW YORK—Lack of map clerks is coming to be the most critical type of personnel shortage in home offices in the New York City area. The dearth of examiners is not anywhere near so serious, as most are above 38, and any way in a pinch a department head can work overtime and pass on risks with a speed born of long experience. But the map work has to be done and men around the usual age of map clerks have been called in great numbers.

Women have been used as map clerks in some offices but it takes a husky woman to handle the big volumes of maps, so that the choice among candidates is greatly restricted. Furthermore, the competition from war industries or other lines that pay better than insurance is keen and the women are likely to be lured away from their jobs just about the time they have learned enough to justify the time that has been spent training them.

Requires Accuracy and Knowledge

Map work requires accuracy and knowledge of the proper routines to follow but no great amount of judgment. Errors that a map clerk may make are not serious, for they will be caught by the examiner, but the process of correcting these mistakes wastes time for the examiner and for the clerk. Normally it is desirable to take about a year to train a map clerk to the point where he is competent.

Fire companies labor under the handicap that while other lines of business, despite price ceilings, have been increasing the sales price of their wares, the trend in fire rates has been downward, with the result that the same amount of underwriting and issuing work must be done for a reduced premium and correspondingly reduced expense factor. The insurance companies can't go out in the personnel market and outbid firms that are making so much money that they don't care how much they pay for help as long as they get it.

Ind. Bill Increasing Benefits Up to Governor

INDIANAPOLIS—The Republican platform measure providing increased weekly workmen's compensation benefits, already passed by the lower house, was approved by the Indiana senate Monday and sent to the governor.

The bill increases the maximum weekly payments from \$16.50 to \$18.70 and puts a \$5,500 ceiling on the total benefits a workman may receive.

Grant Cooper Appointed

Grant Cooper has been appointed assistant insurance commissioner at the Los Angeles office to succeed Eugene Fay. The recommendation for his appointment has been made to the director of finance by Commissioner Camineti. Mr. Cooper was admitted to the Los Angeles bar in 1925. He was for five years in the district attorney's office and then went to the city attorney's office. For some time he has been in private practice.

Nova Scotia Board Elects

At the annual meeting of the Nova Scotia Board of Insurance Underwriters, Archibald Crease was elected president, succeeding E. L. Miller. Vice-president is D. K. McDermaid; manager, H. R. Snuggs.

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United Pacific Liable to National Guardsman Hurt on Way to Drill in Wash.

A national guardsman who suffered injuries, that resulted 73 days later in his death, while on his way to the armory to attend drill was covered under the contract of United Pacific insuring all national guardsmen of the state of Washington against loss of life, total and temporary disability and medical and hospital expenses caused by "service classed as incurred in line of duty. . ." That was the decision of the Washington supreme court.

Judson H. Doke was the national guardsman that was injured. The court concluded from the testimony that Doke was on his way to the armory when he suffered a head injury from some undetermined cause.

Had the insuring clause specified merely caused "in line of duty," the court stated, its meaning would have been clear. But the phrase "classed as incurred" renders the clause ambiguous and the construction most favorable to the assured must be applied.

The diagnosis undoubtedly shows that the injury was caused by violent and external means. Doke at no time regained consciousness prior to his death.

L. C. Brodeck and S. Harold Shefelman represented Doke's mother, Mabel F. Doke. Bruce Bartley and Max R. Nicolai were lawyers for United Pacific and the attorney general's office appeared as friend of the court.

Experience by Lines of Fire Companies in 1942

(CONTINUED FROM PAGE 13)

UNION ASSURANCE

Fire	\$ 750,413	\$ 266,135
Extended coverage	90,528	35,284
Tornado-windstorm	25,454	18,910
Sprinkler leakage	3,221	1,480
Riot and explosion	6,295	463
Earthquake	1,514	24
Motor vehicle	161,600	105,204
Inland marine	31,920	11,231

UNIVERSAL

Fire	\$ 21,656	\$ 9,377
Extended coverage	2,087	...
Earthquake	309	...
Motor vehicle	942,414	791,171
Ocean Marine (excluding war risks)	599,638	340,997
Inland marine	61,362	17,596
Ocean Marine (war risks only)	3,869,934	1,778,853

VIRGINIA F. & M.

Fire	\$ 786,877	\$ 277,449
Extended coverage	72,575	24,114
Tornado-windstorm	19,401	15,579
Sprinkler leakage	2,438	529
Riot and explosion	11,938	1,012
Earthquake	486	...
Motor vehicle	17,279	16,407
Inland marine	5,417	3,563

WESTERN FIRE, KAN.

Fire	\$ 208,760	\$ 106,537
Extended coverage	39,420	21,900
Tornado-windstorm	23,838	46,815
Sprinkler leakage	231	1,871
Riot and explosion	806	42
Earthquake	215	...
Motor vehicle	582,971	234,048

Agent Solves Problem of Obsolescence for Assured

An agent in the south writes that he solved the problem of insuring an obsolete building for one assured. Assured purchased at a bargain a large, heavily constructed brick and reinforced steel building, originally built to house heavy machinery. After it had served its usefulness for this purpose the original owners moved elsewhere, and the building was bought by assured as a warehouse to store comparatively light weight commodities.

Since the cost of replacement was out of all proportion to the price paid, and the reproduction of the building totally unnecessary for assured's particular needs, it was impractical to follow the usual procedure of applying the coinsurance clause to the replacement value less depreciation without imposing on assured the necessity of carrying an ex-

A welcome reception is being given to an unusual type of safety-reminder calendar distributed by the railroad department of Provident Life & Accident, with posting locations selected by their agents in railroad shops and offices.

The theme of the calendar is the emphasis placed upon the fact that the railroads are a major part of the battle of

production, behind our guns, planes, tanks and ships, and that carelessness that brings about accidents is equally as disastrous to effective transportation as would be enemy bombs and bullets. The Vickery painting of a speeding freight was made available through the courtesy of the Association of American Railways for this calendar.

Question of Hostile or Friendly Fire Arises in Case

The old issue of a friendly or hostile fire came up in C. C. Anderson Company against Pacific Fire et al. The decision rendered by the United States district court, district of Idaho, southern division, was to the effect that this particular fire was friendly one.

Damage to the insured merchandise was caused by smoke, soot and fly-ash, which escaped from a furnace in the basement where the merchandise was kept. If a fire was a friendly one, that is, one in a furnace or stove, which was subject to control in a furnace or stove, and one not escaping therefrom, it was not covered by the policy, the higher court said. But if it was a hostile fire it was a peril insured against. To have been a hostile fire it must have extended from the place where it belonged and passed beyond the limits assigned for it and an independent combustion wholly outside the original agency in which it was intended to burn, the court opined. Although the store was filled with smoke, nothing burned; there was no combustion outside of the furnace nor did the flames outside ignite or burn any merchandise. The damage was, therefore, the result of a friendly fire and the loss was not contemplated by the policies, the court contended.

firms who have decided that the right does exist.

"It isn't only HOLC that the insurance fraternity is pointing to, but Federal National Mortgage Association and the RFC Mortgage Company. You can very easily obtain a record of the exposure of FNMA and the RFC, and you will find heavy concentrations in the danger spots of the nation.

"You will also find that RFC is requiring war damage insurance in connection with some of their loans, but not on residential properties. You will also find that this government agency through some of its subsidiaries is requiring war damage insurance on all loans made.

"There seems to be a vast amount of indecision and interdepartmental determination rather than a clear-cut universal policy within the government agencies themselves on the matter of war damage insurance.

"Until the time comes when these agencies themselves can decide on a uniform policy, there does not seem to be justification for telling the insurance business that it has not done a good job.

"Practically every life insurance company, bank and other institution, many of which are located thousands of miles away, have required war damage insurance on their Detroit holdings and holdings elsewhere of FHA insured mortgages, and the people have furnished it without an argument, and if you can get a better cross-section of the American people than you can through the medium of an FHA mortgage, I would like to see it."

New Oklahoma Claim Officers

Fred Mock of Pierce & Rucker, insurance attorneys, was elected vice-president of the Oklahoma City Claim Men's Association to succeed Orbie Siler, independent adjuster, who has entered the army. Guy L. Smith, Maryland Casualty, was named secretary-treasurer to succeed George Washington, Employers Liability, who also has reported for military duty. The club has organized a Swap-Ride Club with headquarters in the office of L. A. Horton.

Miss Sybil Jackson, for many years associated with the Sidney C. Poska agency at Lincoln, Neb., enlisted in the WAACs and reported to Fort Des Moines for her preliminary training.

Fred Crowell's New Book

A new sales book has made its appearance, "Insuring Your Business," by Fred C. Crowell, Jr., who is the new chief editor of the "Insurance Field." The chapter headings are "Understanding the Industry," "How to Buy Insurance," "Protecting Fixed Property," "Insuring Portable Property," "Transportation and Insurance," "Protection Against Lawsuits," "Selecting the Surety Bond," "Protecting Human Values," and "The Industry Behind-the-Scenes." It sells for \$1.50.

Mr. Crowell was formerly sales editor of the "Field." He writes the book from the standpoint of the insurance buyer so that the views of the latter may be interpreted to insurance producers. The author has had considerable sales experience.

Dr. J. E. Caldwell, head of Employers Liability's medical department in Detroit for 14 years, has been commissioned in the Army medical corps. His department has been discontinued.

Minerva Foster, for 15 years hail superintendent of Great American in Topeka, is the first Topeka insurance woman to join the WAACs.

"As far as their position as mortgagee, it does not seem that they are any different from any other mortgagee. It is true that they have a first lien on the property, but so does every life insurance company and every bank in the country, and as far as collecting from a mortgagor for a house that had been destroyed by bombs, I am inclined to believe that they would find this very difficult.

"Courts are inclined, in this day particularly, to take a rather liberal view on most things, and experience is that the vast majority would only have to spend attorneys' fees legally to relieve themselves of any judgment without any sacrifice of other assets of which the people have little.

"On this point, I believe I can speak from authority, for I am also vice-president of Melvin F. Lanphar & Co., which is the largest FHA mortgage company in the nation.

"As for the legal right of the HOLC to demand the coverage, you can always find attorneys who will either agree or disagree with you, and there appears to be just as many who will give you an opinion that the average mortgage will permit demanding the insurance, as the ones who will take the opposite viewpoint.

"Here in Detroit I have seen some pretty fine opinions by prominent law

THE BIG GAME IS IN THE WAR BOWL!



THE WAR BOWL GAME started for us on December 7th, 1941, when Japan made the opening kick-off at Pearl Harbor. Our Team, caught off guard, was thrown for a terrific loss on the one yard line on a hard tackle by Tojo, the Jap quarterback. A number of our star players (war ships and planes) were injured, some seriously, on this first play and were taken from the game. What our team lacked in experience was partially offset by their determination to win. Besides, our opponents' strength and plays had been studied by our scouts in their games with China.

We have had a hard time getting beyond our twenty yard line but the stout defense put up by our line at Wake, Midway and Bataan has kept the score down. We did manage to pull a surprise when halfback Doolittle tossed a long forward pass to our Bomber End who ran the ball to the Jap

goal line where he dropped the ball. The Japs again took the ball and lost it on DOWNS (their fleet) in mid-field (Solomons). It was at this point our Fleet halfback (San Francisco) charged thru the center of the Jap line in a surprise play, knocked would-be tacklers down, and was finally stopped after picking up considerable yardage.

In the meantime, the President of our school called upon the Alumni (you and me) to lend a little more support to the team. He explained that money was needed to replace a number of players (ships—tanks—planes) who had graduated or who had been injured. The Alumni is responding thru purchases of war bonds and stamps but since the opponents are stealing men from other schools (part of the French fleet—also men and women from conquered countries to work in factories) we must put everything we have behind our team to win.

Our second team got off to a fine start in Africa. It seems that the aerial attack of the Nazi team has been clicking but you can bet that our quarterback will soon solve this and perhaps pull the old Statue of Liberty play or one of our hidden ball tricks on them.

On the home front—as in football—we cannot afford to become over-confident. Another thing we must remember—in football there are time out periods—but in this game of war, we, on the home front, cannot take any time out—we must keep going. There are no substitutes to take our place in industry when we are ill or meet with an accident. So, this means that each and every one of us will have to be a Sixty Minute Man and play until the game is over.

Let's give our team 100% support so that they may gain permanent possession of the cup of "Liberty and Justice for all men".



★ ★ ★

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